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REVIEW OF THE NORTH-SOUTH CENTER

HEARING

AND

MARKUP

ON

H. Con. Res. 38

BEFORE THE

THE SUBCOMMITTEE ON
WESTERN HEMISPHERE AFFAIRS

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

APRIL 22, 1993

Printed for the use of the Committee on Foreign Affairs

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REVIEW OF THE NORTH-SOUTH CENTER AND CONSIDERATION OF H. CON. RES. 38

THURSDAY, APRIL 22, 1993

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:13 a.m., in room 2200, Rayburn House Office Building, Hon. Robert G. Torricelli (chairman of the subcommittee) presiding.

Mr. TORRICELLI. The committee will please come to order.

CONSIDERATION OF H. CON. RES. 38

The first order of business today is to consider House Concurrent Resolution 38, calling upon the United States to propose and seek an international embargo against the totalitarian Government of Cuba. This resolution was introduced on February 16 by our distinguished colleague from Florida, Mr. Diaz-Balart. I was pleased to be a cosponsor at that time.

I believe that a majority of the subcommittee, indeed, if not all members present, are cosponsors of the resolution. Therefore, I am hopeful that we can with dispatch, deal with the resolution today and it is my intention to deal with it first.

I would therefore at this point without objection ask that the resolution be considered as read and open for amendment.

At this point, would any member of the committee like to speak to the resolution or offer an amendment?

Mr. SMITH. Mr. Chairman, I would like to say a word or two. First of all, I thank my good friend and colleague Lincoln for offering this important resolution, H. Con. Res. 38. I, too, am a cosponsor of the resolution which advances the cause of human rights in Cuba. In addition to promoting democracy in Cuba, we urge our own President and the United Nations to take more decisive action vis-a-vis Cuba.

This is a very good resolution. It sends a clear and unmistakable message that, in a bipartisan way, Congress is united against all torture, and human rights abuses that are systematically occurring in Cuba. It is an excellent resolution and I certainly hope it gets the full support of this committee.

Mr. TORRICELLI. Thank you, Mr. Smith.

Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

I would like to echo the words of praise given by my colleague, Congressman Smith, to one of our newest members, Congressman

Diaz-Balart, who has been a wonderful addition to the Foreign Affairs Committee. And certainly this resolution goes to the heart of what many in our community feel is so important.

U.S. NEED TO ENCOURAGE OTHER COUNTRIES TO OPPRESS COMMUNISM

With the breakup of the Soviet Union, many of us thought that Castro's days were numbered based on the fact that he had no more trading partners left. Since that time, Castro has sought so many new business deals with other countries that it makes this resolution very necessary.

We need to encourage other countries to join us and partake in this embargo against the Communist aggressors, so I congratulate Congressman Diaz-Balart for a much-needed move.

Mr. TORRICELLI. Any further amendments or comments?

Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

I want to commend Mr. Diaz-Balart and I also have been an original cosponsor of this resolution. The fact of the matter is that we have done this in other parts of the world and done it successfully. It is the stated policy of this Government and this House, having passed your bill last year, Mr. Chairman, which we have a great deal of admiration for, that in fact what we are doing is creating the possibility for internationalization and rapid resolution of that which we desire 90 miles away from our shore.

I look forward to voting with Mr. Lincoln Diaz-Balart, and the rest of the committee, in favor of the resolution.

Mr. TORRICELLI. Thank you, Mr. Menendez.

If there are no further comments, the Chair would entertain a motion that the resolution be reported favorably to the full committee for its consideration.

Mr. SMITH. Mr. Chairman, I move that we report H. Con. Res. 38 to the full committee.

Mr. MENENDEZ. I second it.

Mr. TORRICELLI. A second is heard.

All those in favor say aye.

[Chorus of ayes.]

Mr. TORRICELLI. Opposed?

[No response.]

Mr. TORRICELLI. The Chair will then report to the full committee favorable consideration of the resolution.

Mr. Diaz-Balart, congratulations for your successful actions.

Mr. DIAZ-BALART. Thank you, Mr. Chairman, and members of the committee for your leadership and support for liberation of the Cuban people which is extremely important and something that would be well remembered these oppressed peoples.

Thank you, Mr. Chairman and members.

Mr. TORRICELLI. And you have, I believe, for this committee, set a record in time served on the committee and successful unanimous adoption of a resolution.

[The subcommittee proceeded to other business.]

NORTH-SOUTH CENTER

The next order of business is our hearing on the North-South Center, an institution that has contributed greatly to our understanding of the issues over which this subcommittee exercises jurisdiction.

THE NORTH-SOUTH CENTER'S CONTRIBUTION

The North-South Center's contributions are felt not only in Miami and Washington but throughout the hemisphere. From its Canada program to its work on free trade in the Southern Cone, the North-South Center has succeeded in fulfilling its mandate, to promote better relations between the United States and the countries of the Western Hemisphere. I wish all of our public diplomacy programs were indeed this successful.

The Center conducts an extensive series of programs on key issues of inter-American relations. Of most direct relevance to members is the annual Miami Congressional Workshop on Latin America which the Center cosponsors with other institutions. Many of our members are alumni of these workshops and consistently receive good reviews.

As one who has participated on more than one occasion, I can testify personally to the value of these exchanges. If there are any members present here today who have not had the experience, I encourage them to attend.

I was also privileged to speak at a pathbreaking conference that the Center cosponsored with the Pan American Health Organization at the time of the outbreak of the cholera epidemic. This meeting brought together experts to chart a course for resolving the cholera crisis and for ensuring that it would not reoccur.

The Center has been a valuable source of witnesses for this subcommittee and other committees of the Congress charged with oversight of Latin American issues. Its publications maintain a high standard of excellence. They are among the most useful policy discussions that we receive.

It is time that we reviewed the work of this key institution. I only regret that it has taken a time of crisis and threatened budget cuts to cause us to do so.

We look forward to learning more about the Center and its contributions from our witnesses today. We are privileged to be joined by several excellent and well-regarded witnesses who are very familiar with the Center. Among them, indeed, the greatest among them, would be the person who had more to do than anyone else with creating the Center as an institution and guiding it through these years and that, of course, is the former distinguished chairman of this committee, Dante Fascell.

RECOGNITION OF CONGRESSMAN DANTE FASCELL

Congressman Fascell is well-known to all of us, whether he has sought to leave the Congress or not, whatever else he may choose to do in life, he will always be regarded as a member of the Foreign Affairs Committee of this House.

Mr. Chairman, if you would please come forward.

Joining Chairman Fascell is our colleague from Florida, Carrie Meek. If you would come forward, please.

Mr. SMITH. Mr. Chairman, first of all, I want to welcome our witnesses to this hearing on the North-South Center and extend a very special welcome to our former colleague, the distinguished chairman of the House Foreign Affairs Committee, Dante Fascell.

Now, I notice, Mr. Fascell, there is a nameplate that says Mr. Fascell and I think to many of us you will always be the chairman because you did a very, very fine job as chairman of that very important committee and always conducted yourself, in my view, in a very bipartisan way seeking what is best for the United States and I want to thank you for that great leadership you provided over those many years.

Mr. Chairman, with the impending drafting and markup of the foreign aid authorization bill, it will be helpful to have a better understanding of the vital function of the North-South Center and its important role in fostering cooperation and analysis of the issues facing our hemisphere.

Certainly the material that has been submitted as background has been quite helpful and I think will aide us and empower us in fighting for scarce Federal funds as we go through the budget process.

When the President's budget request was presented to the House, the zero figure on the line for the North-South Center was a surprise and, in my view, a shock to many of us. I appreciate the request from our colleague Ileana Ros-Lehtinen to conduct this hearing today, to Mr. Torricelli for accommodating that request, and I think this will help us in these coming weeks and months to do a better job to make sure that those funds are available for this important center.

I thank you, Mr. Chairman. And, again, Mr. Fascell, it is so good to see you again.

Mr. TORRICELLI. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman. It is a pleasure for me to offer some comments about the performance and the accomplishments of this great jewel that we have in our district in Miami. Although, of course, my familiarity with the Center's products and programs stem because it is located in my area, I would like to point out that the North-South Center is above all a valuable national resource. The kinds of issues that it deals with, immigration, drugs, trade, investment, democracy, the environment, all have ramifications for every region and every citizen in this great country. Because Miami has become, in many ways, the crossroad of America, the North-South Center is ideally positioned to bring together in constructive dialogue, the scholars, programs, business professionals and policymakers of our hemispheric neighbors, thereby serving our shared national interest.

ECONOMIC AND POLITICAL FREEDOM

After a long and painful transition, a remarkable consensus has sprung up in the region regarding freedom, economic freedom as well as political freedom. The end of the cold war, the arrival of peace and political reconciliation in Latin America, and the advent of democratic elections have all opened up a window of opportunity.

It has previously been very rare for the United States to play a key role and certainly the North-South Center has demonstrated its capacity to seize upon this opportunity and produce very accessible state-of-the-art research and relevant far sighted policy options.

TRADE CONTRIBUTIONS

The North-South Center has made many great contributions also in the trade area. The center's Miami Report III focused attention on the impact of NAFTA on the Caribbean, a matter which influences, of course, not only trade but investment, migratory flows, et cetera. In fact, the Center has produced many nationally and internationally acclaimed papers and held a number of widely publicized conferences having to do with NAFTA, examining both the problems and the promise of this proposed trade accord.

In exploring new possibilities for trade integration, the North-South Center has also conducted studies analyzing free trade agreements between the United States and Colombia and Venezuela and, in fact, they are now busily working at designing a workable architecture of a Western Hemisphere free trade area. The results of this project will be very helpful to all of us and to all policymakers in the countries of this hemisphere.

As all of us know, Mr. Chairman, the glaring exception to the hemispheric trends toward democracy and toward market economics is, of course, Cuba. And recognizing that Castro's policies are fatally flawed and his brutal regime is ultimately doomed, the North-South Center is planning to conduct a series of studies on the future of a free Cuba in the Western Hemisphere area. In post-Castro Cuba, it will be crucial to consolidate freedom and integrate the country's economy into this whole region as a whole.

PRIVATIZATION PROGRAMS

The North-South Center has implemented a wide array of programs with real, tangible, immediate benefits for private enterprise. Especially noteworthy has been the training programs for U.S. executives of small and medium size firms that seek to maximize export opportunities in the Latin American areas and in the Caribbean. The center similarly supports programs related to property rights, privatization, and to regulations in these Latin American economies now undergoing, as all of us know, major changes.

In country-specific studies, they are targeting key sectors such as telecommunications, agricultural products, airlines. All of this has added to the Center's emphasis on economic growth through free market reform. Undoubtedly the one common hemispheric issue which strikes closest to home is narcotics and certainly in this subcommittee we have explored that very well.

DRUG-RELATED ISSUES

Obviously, Mr. Chairman, all of our citizens have a stake in resolving the many problems caused by drug trafficking but we cannot successfully cope with the drug menace, as all of us know, without cooperation from our important neighbors in Latin America. Through its drug policy task force, the North-South Center has established significant links with policymakers and research insti-

tutions in Columbia. Only last month, for example, the Center convened a conference in Bogota on the state of the art of drug trafficking research in the Americas and in the Center's Peru working group, it has brought together Peruvian legislators, academics and journalists to analyze the economic, social and political problems that must be addressed in any effort which seeks to bring down the production of narcotics.

AGENDA COHERENCE

Mr. Chairman, I have been very impressed with the North-South Center's ability to develop institutional and professional ties throughout the United States and throughout the hemisphere and by bringing together a variety of organizations and groups into a meaningful exchange and developing a coherent agenda of issues of joint interest and concern, I think that the Center has helped us all to forge and enduring partnership with free countries that share our democratic values.

In summary, I believe the North-South Center is a great asset whose work has proven invaluable to this country and will be ever more so as Western Hemisphere issues continue to grow in importance.

Thank you, Mr. Chairman.

Mr. TORRICELLI. Thank you very much.

Mr. Deutsch.

Mr. DEUTSCH. Thank you, Mr. Chairman.

As the Member of Congress who is geographically closest to the Southern Hemisphere, it has a particular significance and it is also simply an honor to be here with Congressman Fascell, who has been so active in his career in both in establishing the Center and contributing to the success of the interrelationship between both the Northern and Southern Hemispheres.

I have an extensive prepared statement that I would like to submit for the record. Instead of reading from my statement I would like to make one simple comment. The work of the Center is exceptionally important on a geopolitical and economic basis for this country and for the entire world. The activities of the Center bode well not just for its continuation but for its increased involvement in the policy affairs of this country.

[The prepared statement of Mr. Deutsch appears in the appendix.]

Mr. TORRICELLI. Thank you very much, Mr. Deutsch.

Any further comments?

Then if I could, Mr. Chairman, I understand, despite your exalted status before this institution, that you have decided you would like to defer to Ms. Meek for opening comments.

Carrie Meek, we are very pleased and proud to have you before the committee. Welcome, and we invite your comments.

STATEMENT OF HON. CARRIE P. MEEK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Ms. MEEK. Thank you, Mr. Chairman.

My remarks will be very short for once in life in that I do have another impending appointment, but, I am very, very pleased to have the privilege to appear before the Subcommittee on Western

Hemisphere Affairs and to be here with the person who has been and continues to be my mentor, the legendary Dante Fascell.

If for no other reason, consideration of the North-South Center should be central to this committee because it is a legacy of Mr. Fascell and his many years of hard work laboring for us all in the Congress.

I have some prepared remarks that I would like to submit for the record.

Mr. TORRICELLI. Without objection, they will be entered at this point.

Ms. MEEK. Thank you.

[The prepared statement of Ms. Meek appears in the appendix.]

I do want to say that the diverse agenda of this center is so very, very important to the Western Hemisphere not only to those of us who live in that area or who live in the South Florida area, but to the entire nation.

POLICY AGENDA

The fact that the experts and the consultants from this center have been those who have set policy agendas—particularly and most recently in the study of Haiti—and the problems we are having and regarding the intimate details with reference to Haiti, this center has been instrumental in bringing the issue to center. Just tomorrow, I think, or 2 days from now, three experts from the North-South Center will testify here before the congressional committee regarding internal constitutional issues so important in Haiti. That is extremely important to me and to my constituents, as well as to the extreme closeness we maintain with Cuba in my work with fellow colleagues from Cuba, on your committee.

So I am here today to say that this center, not only in terms of trade, but, in terms of social issues and in terms of policy issues, I think that the University of Miami in its North-South Center has well documented the fact that the Center should continue to exist. I want to lend my support.

Thank you, Mr. Chairman. With that I hope you will let me have someone answer the questions who can most effectively answer them.

Mr. TORRICELLI. Thank you for joining, you are always welcome before our committee.

Ms. MEEK. Thank you.

Mr. TORRICELLI. Mr. Chairman, welcome.

STATEMENT OF HON. DANTE B. FASCELL, FORMER CHAIRMAN, COMMITTEE ON FOREIGN AFFAIRS

Mr. FASCELL. Mr. Chairman, members of the committee, thank you very much for the invitation to appear here. I appreciate it because otherwise, my First Amendment rights might have been somewhat curtailed. I also welcome the opportunity to see all of you.

I have a prepared statement on the North-South Center which I would like to submit for the record. Then with your permission, please make some observations.

Mr. TORRICELLI. Mr. Chairman, without objection, we will enter your prepared statement at this point in the record and then proceed to your own comments.

Mr. FASCELL. Thanks very much.

[The prepared statement of Mr. Fascell appears in the appendix.]

I am not sure that I could add, in a broad sense, anything to what has already been said by you, the ranking member, Ileana Ros-Lehtinen, or any of the others, with regard to the North-South Center.

I know that Carrie Meek was gracious, and I appreciate that. She is a great legislator in her own right. She does not need any mentor nor does one need to hold her hand and lead her around the halls of Congress, that is for sure. But, she made a statement from which I must deviate slightly.

The issue is not whether this institution, a great institution, is a legacy to anybody. It must stand on its own feet and its own merits. And I am sure that it does; and will continue to do so on the closest of examination.

I think this is an opportunity for the North-South Center to demonstrate that it has done the job that it was supposed to do. It has the capability; has the respect; has the acceptance; and it is making a real contribution in terms of the needs of our country with regard to Latin America.

One of the complaints, and I am sure you all have heard it many times, in all the years I was in Congress, particularly from our friends to the South, is, "what have we got to do to get your attention down here? Do we always have a disaster of some kind or a revolution? Why are you always looking at Europe, Asia, Africa or some other place?"

Now, whether that is right or wrong, as a matter of fact, it certainly is true, based on perception. We have struggled the whole time I was on the committee, constantly, trying to assure our friends in the Western Hemisphere that we are really interested; that we are all one big family; that we are working hard to try to solve the problems, that we are not selfish, that we have more than just sheer humanitarian instincts, that what we are trying to do—in terms of promoting democracy and economic improvement—has real meaning for us as well as for them; that we are fully conscious of their problems and we want to be helpful in some way without being patronizing, without being dictatorial, without being controversial.

We cannot escape some of those negatives but we want to be involved; and they want us to be involved.

I had a hand in the establishment of the East-West Center. It was a special product of the President of the United States, and I handled the legislation. I know exactly how it got started, I know why it got started, I know for whom it was started, and I know what they have done since then. They have done a very good job.

We had to wait a long time before we could buildup the interest to do the same thing north and south as we did east and west.

Now, it is no accident that, whoever did the budget cutting, left the East-West Center in there. I do not have to draw any pictures for you about who is on the appropriations committee. The fact is, I am gone, so the leverage is a little weak. Nevertheless, this exam-

ination is critical, it is justified; and I am sure when it is completed, it will be an excellent outcome for continuation.

THE INTER-AMERICAN FOUNDATION

One of the organizations which I helped found with of course our committee, the Foreign Affairs Committee, was the Inter-American Foundation for the same reasons. We were having all kinds of problems. We had to do something that was innovative, that was different, to show our continuing interest to our friends.

I always believe in calling the artillery down around you to see if you can stand the strain. If you can pass the test, then you have a right to live and exist. And I think that is the same situation here. The artillery needs to be called down, GAO studies, independent audits, examination of policy, all of those have been done. They have been critical and the North-South Center has passed with flying colors.

So it is more than a budget determination that should guide the principle. Policy should not be made by a pencil pusher who is trying to move the numbers around on a document. That policy should be made by the Foreign Affairs Committee, and the President of the United States. That is the way the policy should be. Especially if what is being done is successful and what is being done by the North-South Center in ever conceivable sense is successful.

Now, the true test is does it impact the institution? Does it impact? Third party references with regard to the North-South Center are impeccable. They are good. It has the acceptability. It has the credibility. It is a focal point for current policy issues and determinations. It is doing more than producing paper. It is impacting on policy. It is bringing people together who have the capability of changing policy, and that is important, in line with whatever it is that our own country is doing.

So this is a very important catalyst that we have here. It would be a shame to lose it for $10½ million. In terms of the budget, $10½ billion, is a rounding number and is usually dropped. You cannot even find a rounding number. I daresay of the hundred roundoffs—thousands of roundoffs in the budget, the North-South Center has got to have and must have a priority higher than some of the others. It cannot be by any stretch of the imagination that it should be a rounded off number which is just going to be thrown because there's a squeeze on USIA for the budget.

As a matter of fact, when there was a squeeze on the USIA budget, it was the North-South Center which showed the flexibility of being able to work with USIA to accommodate their budget problem. Now, I do not think because of that they should be eliminated at this point in the game.

THE INVESTMENT IS MINOR AND GOOD FOR ALL

What is good east and west is doubly good north and south. The investment is minor, believe me. The impact in terms of dollars is greater because the leverage here getting other institutions, other organizations, to get involved in these projects brings a far greater impact than simply the amount of money that the United States is putting into this.

The recognition both academically, professionally, economically, socially and politically is beyond question, so I would say for all those reasons, Mr. Chairman, after all the guns have been brought down on the site, on the location of the North-South Center, its principles, its right to live, I think it can withstand or should withstand a full assault and be allowed to continue its work.

Comparisons are odious, I know, but most institutions that have a new life around here are subject to the kind of critical examination that is going on right now, either internally by bureaucrats or externally by policymakers. I think that is good. I hope that with your continued interest and support and knowledge that the North-South Center will find that small amount of money in this huge budget so vital to its existence and which in the roundoffs must have some kind of priority that means so much to us in the Western Hemisphere.

Mr. TORRICELLI. Mr. Chairman, by the time the appropriations process is concluded we may have lost but it will not have been without a considerable fight. It would be a terrible message throughout Latin American that with the conclusion of the wars in El Salvador and Nicaragua American interest in the region has waned. And that would be the unmistakable conclusion.

INVALUABLE PRINCIPLE BENEFITS

The principal benefits of the North-South Center in bringing together policy leaders in all regions of the hemisphere is invaluable. There is no other institutions that is serving that function and the chances are great that if members of this committee or others in the Congress have a chance to exchange ideas from economic policy to health care to political concerns with Latin American leaders, it is probably happening through the North-South Center. Without it, it will not happen at all.

I hope in your time in Washington today you are getting a chance to see some of our friends on the appropriations committee and the leadership. We will all be doing so as well. And together I think we can wage a successful——

Mr. FASCELL. Mr. Chairman, I appreciate the invitation and the thought. I have not cleared it with the Ethics Committee yet but if they issue me a subpoena duces tecum, I will be there with whatever material they want. I do not think I am going to volunteer anything, though, at this point.

Mr. TORRICELLI. I think your presence and some of them seeing you on the Hill will be sufficient.

Mr. FASCELL. Well, I might share a cup of coffee with them. [Laughter.]

Mr. TORRICELLI. It actually occurred to me that if we had been shrewder and named this the Fascell Center no one would have had the nerve to tried to cut this in the budget.

Mr. FASCELL. I do not know about that. Thank goodness it was not named the Fascell Center. There is nothing deader than yesterday's politician. [Laughter.]

Mr. TORRICELLI. I also want to say, Mr. Chairman, since there is no certainty that we will see each other again before the impending political changes that I believe are coming in Cuba, that can come at any week or any month, that when that moment comes,

wherever attention is centered, the fact remains there would not have been a Cuban Democracy Act without Dante Fascell. It was an important part of your life's work; you brought it before this Congress. You are the senior member of Fidel Castro's Italian problem.

Mr. FASCELL. Mr. Torricelli, you are overly generous.

Mr. TORRICELLI. I am not overly generous.

Mr. FASCELL. I want to tell you one thing, I will elbow my way through the crowd to make room for you carrying the flag when you hit Miami. [Laughter.]

Mr. TORRICELLI. I know how many years you and indeed Claude Pepper contributed in your efforts, and indeed Larry Smith as well. We were all a team that worked together and now joined in these years by the people who are before you on this committee who have all made valuable contributions as well. But I want the record to be clear that on that day Dante Fascell's name will be prominent.

Mr. Smith, did you want to——

Mr. SMITH. Just to echo your sentiments with regards to our former chairman and just how highly we respect him.

You know, one of the things that you always spoke about from the chair with the gavel in hand was the importance of transparency and your work in my view in Congress, that was one of your hallmarks. You said it the way you believed it and you stood by it and I think it is very important when we look at this North-South Center and I think the recommendation by our subcommittee chairman is a good one. If it were called the Fascell Center we might have better shot at saving it.

THE NEED TO EMERGE

But I do believe that in a paradoxical way with all of the focus and the scrutiny being brought to bear on the North-South Center that it could emerge even stronger, especially vis-a-vis the East-West Center, which you reminded us you had such a hand in creating. The perception is and it would be reality as well that we are only concerned about Europe and Eastern Europe and the former Soviet Union. Shame on us. And I think in a bipartisan way both the administration and Republicans and democrats in the House and Senate need to make a commitment, and this is so modest, as you very persuasively pointed out, such a modest commitment for such an end product, such a bang for the buck, if you will. And I think your mere presence here today and your persuasive words energize this subcommittee and the Congress at large to really try to save this North-South Center. And I will do everything I can in the minority to ensure that and I know Mr. Torricelli likewise will take the lead as well.

Mr. FASCELL. Well, Mr. Smith, thank you very much.

I just want to add here at this point, we are not in competition with the East-West Center. They do a good job and it is a little bit of an awkward comparison. But the truth of the matter is they are doing a good job and so is the North-South Center. And it covers all four points of the compass and that is what we should be doing as a matter of national policy. That is all I am saying. The only reason the East-West Center comes into it at all is because of the obvious placement of the sponsors on the proper committees with

regard to the East-West Center which undoubtedly had some impact somewhere down the line with somebody when they were looking at numbers.

Mr. SMITH. Thank you very much, Mr. Chairman. Good to see you again.

Mr. TORRICELLI. Looking at this committee it has occurred to me that one of the strategies for saving the North-South Center is the East-West Center has been located in Honolulu. Had the North-South Center also been in an exotic place like the New Brunswick Campus of Rutgers the support would be considerable. [Laughter.]

Mr. TORRICELLI. Any other member of the committee want to make any remarks?

Mr. Chairman, thank you very much for being with us today. It is good to see you.

Mr. FASCELL. No, thank you. You are very gracious and I appreciate the committee's invitation.

Mr. TORRICELLI. Thank you, Mr. Chairman.

For our second panel, if we could, the Honorable Ambler Moss, Director, North-South Center; George Folsom, Former Deputy Assistant Secretary for International Development, Department of the Treasury; and Susan Kaufman Purcell, Director, Latin American Program, Americas Society.

Mr. Moss, Mr. Folsom, Ms. Purcell, welcome. We appreciate your participation today and look forward to your testimony.

Mr. Moss, if you would like to proceed.

STATEMENT OF AMBLER H. MOSS, JR., DIRECTOR, NORTH-SOUTH CENTER

Mr. MOSS. Thank you very much, Mr. Chairman, members of the subcommittee.

I am Ambler Moss, Director of the North-South Center.

Mr. Chairman, I would like to acknowledge also the president of the University of Miami, Edward T. Foote II, who is with us this morning.

Mr. Chairman, I have a prepared statement and ask permission to include the full text in the record.

Mr. TORRICELLI. Without objection.

Mr. MOSS. And I also have submitted some supplementary information for the subcommittee staff.

Mr. TORRICELLI. In the interests of the Federal budget deficit, that will not be entered into the record but your statement certainly will.

Mr. MOSS. I would not dare ask such a thing, sir.

Mr. Chairman, let me start with a bit of political philosophy of the Center. I certainly agree with so many of the members of the subcommittee that at this time the United States really has an unprecedented opportunity to affect the process of change in a hemisphere which really is vital to U.S. interests.

EXAMINING WAYS TO EXPAND OUR TRADE

All of countries are presently engaged in examining ways to expand our trade to unforeseen levels. An effective process of peace and reconciliation has taken hold in Central America after a decade of strife and war. Fledgling democracies in South America are

battling for survival against narco-terrorism, armed insurgencies and militarism.

UNABATED FLOW OF PROBLEMS

Cuba, where freedom has been cruelly repressed for over 30 years is facing now the harsh realities of economic failure and isolation. Millions of potential immigrants from nearby countries continue to view the United States as an economic or political haven. The unabated flow of illicit drugs from South America and Mexico tears at our Nation's social fiber and still some of the greatest environmental problems are in our Western Hemisphere.

I know that the Congress is aware of these urgent problems, Mr. Chairman, and so is the North-South Center. The center is really, I believe, unique in the way that we dedicate a full array of programs and grants to finding pragmatic solutions to the problems facing the Western Hemisphere. With our strategic crossroads location in Miami, the Center really is a nexus for inter-American policy studies, conferences and meetings. And by inter-American, I include Canada in that group as well.

A THINK TANK

It is various things simultaneously. We intend it to be that way. A think tank, a foundation, a forum, a policy development center, a public outreach vehicle, a training center and an information publications data resource center.

Our product is designed to be useful to our leaders, policymakers and legislators in a variety of different ways.

For nearly 10 years, the Center has sought to influence change in the Americas by developing research and training programs, interchange among scholars and interchange between the public and private sectors and by producing publications and educational activities that strengthen communications in the Western Hemisphere.

In its earliest years, the Center identified and studied areas of special concern such as the debt crisis and its effects on Latin American economies and societies, Soviet and Cuban threats to democratic evolution, drug trafficking and the challenges to democratic transition.

INFO-SOUTH

In 1988, with the help of the first of Federal grants, the Center created INFO-SOUTH, an electronic data base on Latin America, Canada and the Caribbean. It is still the only one of its kind and now provides 24-hour access to 60,000 abstracts from over 1,200 publications. It is widely used by government agencies, academics and the private sector. An element of INFO-SOUTH is the Cuban Comprehensive Data Base, which responds to specialized searches for information on Cuba.

Even beyond that example of INFO-SOUTH, Mr. Chairman, I want to give you a few other examples of our uniqueness and demonstrable results that we have been able to achieve.

GRANTS PROGRAM

In our grants program, for instance, we have awarded almost $3 million to over 110 institutions across the United States and abroad. We are today offering the first ever funding for some worthy Latin American institutions.

Our trade studies, which Congresswoman Ros-Lehtinen referred to, have grown to include 31 projects relating to NAFTA. One of them, which the Congresswoman mentioned specially, I want to emphasize too because we are very pleased with it. Miami Report III was the first study which showed the negative impact of NAFTA on the Caribbean until the Caribbean can accede to NAFTA. That report has led to considerable debate and proposals on this topic in this country and within the Caribbean countries themselves.

And another one which the Congresswoman mentioned also which I would like to draw your attention to is the one and only project of its kind, I think, the "Architecture of the Western Hemisphere Free Trade Area," engaging scholars everywhere from Canada to Chile in an ongoing project to try to look at what the future of Western Hemisphere free trade can be.

Our environmental task force has pioneered an approach for evaluating the environmental impact of future free trade agreements which we think is very important. Its first product in this line is a comprehensive study of the trade and environment relationship which would arise in a possible free trade agreement with Venezuela. That is going to be published as a book later this year.

Our Canada program is the only Canadian studies program in the United States which focuses exclusively on Canada's relations throughout the hemisphere. In the supplementary materials, Mr. Chairman, there are a number of testimonials from the Canadian ambassador and other Canadian officials and academics about that program.

Our drug trafficking task force which is going on now into its third year currently involves 25 Latin American and U.S. research organizations. We hope that that product will be of practical support to policymakers across the hemisphere in the war on drugs.

And you yourself, Mr. Chairman, mentioned the first conference on the international response to cholera. It will be one in a series of efforts in international public health studies which we think are going to be increasingly important.

APPRECIATION FROM ABROAD

Finally, Mr. Chairman, as reflected in the supplemental materials provide to the subcommittee, let me just stress that the Center has received numerous expressions of appreciation from Members of Congress as well as government officials, academics, private sector professionals and organizations working on hemisphere issues. We believe the Center has established a track record as a coordinator of projects and a clearinghouse for ideas and key issues that are of national interest and affect our citizens in their daily lives.

We think the relevant agenda which the Center addresses can only grow more important in the years ahead because, again, we

believe that the Western Hemisphere is vital to U.S. interests and should be seen that way.

Thank you, Mr. Chairman and members of the subcommittee. I would be very happy to respond to any questions you may have.

[The prepared statement of Mr. Moss appears in the appendix.]

Mr. TORRICELLI. Thank you, Mr. Moss.

Mr. Folsom.

STATEMENT OF GEORGE FOLSOM, FORMER DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL DEVELOPMENT, DEBT, AND ENVIRONMENTAL POLICY, DEPARTMENT OF THE TREASURY

Mr. FOLSOM. Thank you, Mr. Chairman.

Mr. Chairman, members of the committee, ladies and gentlemen, I appear before you today to advocate the full restoration of fiscal year 1994 appropriations of the $8.7 million for the North-South Center at the University of Miami which was zeroed out, I understand, by lower level OMB officials despite having been in the USIA budget submission.

The Center, which is a very new facility, spends its Congressionally appropriated funding very prudently on practical public policy research, public education and business advisory work on such issues as international trade, the environment, economic reform, telecommunications, transportation, narcotics and democratization.

It is short-sighted that at a time when our relations with the countries of the hemisphere are beginning to improve for the first time in many years that the United States would be cutting the funding of the Center which is exclusively dedicated to promoting better relations among those countries.

Mr. Chairman, I think it is always important to know the background of your witness. I am the former Deputy Assistant Secretary for International Debt and Environment Policy in the U.S. Treasury Department in the former administration of George Bush. Among many other duties, my team was in charge of spearheading the development, negotiation and implementation of the Enterprise for the Americas Initiative which has been praised by many heads of state and leaders in Latin America, as well as by other experts such as the former Secretary of State, Dr. Henry Kissinger.

JOINT EFFORTS

The joint efforts of many offices of the Treasury, agencies through the Federal Government, the NGO's who were particularly helpful, I might add, the business community and advisory institutions such as the North-South Center were crucial to our successful effort.

In such a capacity, I had the responsibility to make public presentations on the EAI to many diverse audiences throughout the United States. Unfortunately, I learned that that American public, particularly outside the beltway, was very uninformed about Latin American and the Caribbean and its importance to our country in contrast to other regions of the world.

Latin America is geographically contiguous, has a population larger than Western Europe and remains our fastest growing export market for U.S. exportable goods and services in the world.

It is in our national self-interest to work to correct this deficiency of knowledge if we expect to promote and take advantage of the economic, political and environmental reforms in the region through higher U.S. exports of goods and services as well as the promotion of democracy.

The center is one of the few institutions outside of the Washington-New York corridor which can help sustain this effort at improved, informed relations and the development of economic and business opportunities between our country and the countries of the Western Hemisphere.

It should be noted that the Center has extensive relations with and supports through congressional funding other academic institutions throughout the United States and Latin America and the Caribbean on issues of mutual interest. This is not, however, a broad brush approach, this is a focused approach based upon the priority items on the Center's agenda.

EDUCATING THE AMERICAN PUBLIC

Let me reiterate this final point of education of the American public outside the Beltway. I feel particularly strongly about this point. The Congress is a direct link on a more focused basis to the American people throughout our country. I am convinced of the pivotal role in our Government played by the Congress in the development and implementation of our international finance, trade environment and foreign policy.

The truly effective way, however, to generally educate and convince the Congress of the strategic necessity of appropriate free trade negotiations with Latin America, including all of the related aspects of the issues I have already raised as well as those of democratization, administration of justice, economic and investment reform, is in fact through supporting such institutions as the North-South Center to thoroughly pursue such issues. The center in short can help debate these issues or cross a broad range of political and other fields of interests with the objective of helping the administration, the new administration, and the Congress hone in on and develop this specific approach we should take to these highly complex issues.

Mr. Chairman, I come to you today with someone who has had practical, on-the-ground real-time experience in some of the issues that Mr. Fascell raised earlier and that is the need to develop policies that are actually going to be practical and that can be implemented and I think the Center serves as a useful resource both for the new administration as well as for the Congress to be able to complete those tasks.

I would be happy to entertain any other questions. Thank you very much.

Mr. TORRICELLI. Thank you, Mr. Folsom.

Ms. Purcell.

STATEMENT OF SUSAN KAUFMAN PURCELL, DIRECTOR, LATIN AMERICA PROGRAM, AMERICAS SOCIETY

Ms. PURCELL. Thank you, Mr. Chairman, members of the subcommittee.

I have also prepared a written text which I would like to have included in the record. I am just going to make a few summary remarks of my written statement.

It seemed very strange to me, actually, when I heard the situation of the budget of the North-South Center for the future being cut at a time when the kinds of developments that are occurring Latin America are occurring.

THE 1980'S, A LOST DECADE; THE 1990'S AN INCREASING OPPORTUNITY

After the lost decade of the 1980's, you now have a situation where the whole trade relationship between the United States and Latin America, the whole economic relationship, is really blooming and promises to get even more intense and more complex in the coming years. And so there are tremendous economic trade and investment opportunities increasing every year and probably will throughout the 1990's.

At the same time, with the end of the cold war, that does not necessarily mean that the problems, the challenges coming from Latin America will be over. We still have different kinds of problems which are also in a sense security or national interest issues but of a different sort. Meaning, for example, immigration, illegal immigration, environmental issues, the drug problem.

For all these reasons, it seems that this is precisely a period when we should be reinforcing our capabilities to deal with developments in Latin America rather than suddenly deciding that the worst is over or it is not important or there are other areas that we have to focus on. Of all Third World area and almost of all areas, developments in Latin America will have the most immediate and major impact directly on the life of U.S. citizens and although there is a tendency only to think about Latin America in times of crisis, so I suppose if there is another wave of refugees from Cuba or Haiti or whatever we will suddenly once again realize that we need more capability in this area, I think that this is a very good time to point out that things do not have to be totally disintegrating and perhaps we need to buildup our capabilities precisely because there is going to be a growing positive relationship based on opportunities that we need to be in a position to take advantage of also.

STRONG SUPPORT FOR THE MIAMI LOCATION

I also think that it is very strange of all the centers that we need the one that is located in Miami is clearly the most obvious to keep going and to support. I mean, Miami actually is the largest Latin America city, and I put that in quotes, in the hemisphere, certainly in North America and it is going to be getting bigger and bigger. It has become the crossroads of U.S.-Latin America trade. You only have to read any newspaper or magazine to see what is going on. A lot of companies now are basing themselves in Miami and to have something like the North-South Center with an outstanding Latin America program is of ever more importance as people are trying to figure out how to invest in Latin America, how to go into joint ventures, how to have trade relations with the area. And so in summary of this first part, the North-South Center is in the right place at the right time and it seems almost counterintuitive

if not self-destructive of us to suddenly think about just slashing its budget.

Some other points. I speak as a former academic. I was a professor for 10 years of Latin America politics at UCLA. I am saying this because the point I want to make is that one of the things that I particularly like about the North-South Center is that it is not so academic. I left academia. I am a refugee from academia because I do not like academic studies. I like things that are pragmatic, readable, understandable, applicable, something you can do something with. And I think that is one of the strengths of the work of the North-South Center. The topics it chooses, the publications that it publishes, are useful, important, relevant kinds of products and I think that while many of us can say there are Latin America centers all over the place, in Los Angeles, in Texas, in Wisconsin, et cetera, I mean, the unique thing I think about the North-South Center is that it is policy oriented, it is problem oriented, it is opportunity oriented and it does things that are relevant to the real world and it deals with issues that all of us really do have to consider and learn about.

The other thing I like about it is that it casts a broad net. It involves not only academics, it involves businessmen, it involves journalists, politicians, et cetera, labor union leaders, and that is very good, too. And I actually attribute a lot of the credit for this to Dean Ambler Moss, a former U.S. Ambassador who is not quote a typical academic. I mean that as a compliment. And I remember I first met Ambler when I was in the State Department. I was on the policy planning staff working for Latin America and Ambler was Ambassador to Panama and I was doing a swing through Central America and even as Ambassador Ambler cast his net very wide and I met all kinds of people when I was down there thanks to Ambler's ability to bring all different kinds of people together so that is another plus also.

REMEMBRANCE OF AN OLD FEAR

And then I just want to say one other thing. You know, I used to have a fear, and many of us did, I will reflect a fear of lots of people who focus on Latin America, that having a Latin American kind of program in Miami would not be able to produce academically or policy credible kinds of results because of the huge political impact of the Cuban-American community. So there was a fear initially that everything produced would be one-sided and particularly the things on Cuba would not be very useful because people would discredit them because they were biased, et cetera.

I am pleased to say this is not the case, that the work on Cuba has been extremely useful, whether they are studies of the Cuban military or of the future of economic relations between the United States and Cuba. It is reputable work by a range of people with different kinds of points of view and I think the Center deserves a lot of credit being where it is to be able to maintain a very balanced and also reasonable academic kind of approach when it easily could have been captured.

At the same time, the Cuban-American community is supportive of the Center, contributes to the studies and, I think, enjoys a very, very good and positive working relationship with it.

THE IMPACT OF THE NORTH-SOUTH CENTER

Finally, I just would like to say something about the impact of what the North-South Center does. Its publications are very well known, whether it is the North-South Magazine, and there is a wonderful new publication that is very brief, I love brief things, I can carry them on airplanes, you can read them in 5 minutes, The Focus. The last one was on Mercosur which I think was the best summary in about three pages of the pros and cons, the progress Mercosur has made and what the outlook is for its survival. Those kinds of reports are extremely good.

The faculty and staff of the Center have been called as witnesses, have appeared in programs throughout the United States dealing with Latin America. Ambler himself and some of his colleagues presented the most recent Miami report at the Americas Society in New York. It was very well attended by the New York business and banking community, among others.

So in conclusion, I would like to echo what Dante Fascell said, what is good for the East-West Center is doubly good for the North-South Center and I say that as both a biased and also objective observer.

Thank you, Mr. Chairman, and members of the subcommittee.

[The prepared statement of Ms. Purcell appears in the appendix.]

Mr. TORRICELLI. Thank you, Ms. Purcell, very much.

Mr. Moss, I am without reservation in lending efforts to help preserve the North-South Center. I believe it has made invaluable contributions to American foreign policy and toward understanding generally. That does not mean in all respects, however, that I think that there are not things that we could do that are better. And so for purposes of this discussion, I will focus on some disappointments rather than the long list of things which I think have been of considerable value and make the case for continuing the Center.

And Ms. Purcell has pointed out that the Center did not become the captive of any community. Indeed, there are some of us who believe that there has been overcompensation for that concern. And by that I mean that the U.S. Government should not and cannot make an investment in the North-South Center because it leads to simply harmony and understanding between people or provides a good occasion to get together to Miami, it must benefit the specific policy interests of the U.S. Government.

There is an unequivocal policy in this Government with regard to the restoration of democracy in Cuba. There may be people on the faculty who feel differently, there may be people in the Center who have other views, but this Government has its own policy and it is this Government that is funding the Center.

In my participation in your programs, I have found considerable interest among participants in discussing American policy and attempting to understand it. Much of those discussions have been held in hallways or in private meetings. It is my own judgment that the Center could do more in helping to promote an understanding of the reasons for American policy and why as a human rights matter, why in the furtherance of democracy, why in the interests of the Cuban people themselves, this policy is justified.

I would appreciate knowing your views, how if we indeed can restore funding for the Center the Center might better be able to serve the foreign policy interests of the U.S. Government in this matter at a critical time.

Mr. MOSS. Thank you, Mr. Chairman. I would be very happy to respond to that.

First of all, I do not think that you would find any individual even remotely connected to the Center who does not share that fundamental objective of restoring democracy in Cuba. We have in Miami, in the exile community and among other Miamians, a diversity of viewpoints as to how that might be achieved. There are sometimes differences over the strategies and the tactics, but the ultimate objective of restoring democracy in Cuba is something which I think is shared by all, and I know of no discrepancies on that score whatsoever.

RESTRUCTURING CUBA

Let me say that we are promoting certain studies that will begin this fall as a continuation of the series aimed at what can be done in a free Cuba to consolidate democracy when the right moment occurs. One of them will be headed by a very prominent Cuban-American in Miami, Mr. Manuel Lasaga. It will have to do with the financial restructuring of Cuba, including the role of venture capital and financial vehicles to bring much needed investment capital into Cuba once freedom is restored.

Another which is also going to be headed by a well known Cuban-American, Maria Elena Torano, will focus on the development of future human resource needs in Cuba when the economy can be rebuilt again because we think human resources is going to be one of Cuba's greatest problems.

We do have in our publications department a book in process on the human rights situation in Cuba and that will be coming out this year.

This year, Mr. Chairman, incidentally, in our publications department we have published two books on subjects related to Cuba and have two more in production. This is in addition to the value provided by the Comprehensive Cuban Data Base, which is part of our INFO-SOUTH set of data bases and family of services.

I might mention also that in this year's Miami Congressional Workshop for Members of Congress that are able to attend, we produced a panel on Cuba, one on Haiti also. In the one on Cuba we tried to give a very balanced perspective. I do this agenda in conjunction with my colleague Mark Rosenberg at FIU. The two speakers this year were a representative of the Cuban-American National Foundation, Domingo Moreira, and also Lisando Perez, who runs the Cuban Resource Center at FIU. So we have a balanced program such as the one that you attended in times past.

The common nexus is certainly there, the restoration of freedom in Cuba. There is nobody that goes to the extreme of accommodating with a dictatorial regime or anything of that sort. We think, however, that our best contribution at this point, since we do not know what the time table of Castro's demise is going to be, is to launch a series of studies and publications that will be practical and serve some immediate value when Cuba can be rebuilt as an

economy and as a civil society. And we do have people that are going to continue to work there.

PRESERVATION OF THE CUBAN CULTURE

In the meanwhile, Mr. Chairman, I also want you to know that we do organize a number of cultural events, trying to preserve the memory of Cuban culture and the knowledge of Cuban culture. In fact, just last night, we began a series of four lectures by the famous Cuban author, Octavio Costa, on protagonists of 19th century Cuban thought. This is the first of four lectures that are being presented at the North-South Center. And even on the musical side, this year we sponsored a concert by the Florida Philharmonic of the works of the Cuban composer Orbon and, incidentally, that was the first time his works had ever been played by a full symphony orchestra. We did that at the Gusman Music Hall at the University of Miami. Commentary was provided along with the concert by Velia Yedra, who is the biographer of Orbon and was a student of his. So we also do things in the cultural area which we think is important for the survival of Cuban culture and its eventual transference back into a restored Cuban democracy.

Mr. TORRICELLI. Mr. Moss, I am very pleased to hear each of those reports. It is simply that you are our best vehicle for helping to gain understanding in the Caribbean in particular, in Latin America in general, about the reasons and the objectives of American foreign policy and only through your program focusing on the situation in Cuba and our policy objectives can we bring some higher level of understanding.

Also, in these months of tension and potential change in Cuba, to the extent that you speak to the human rights situation and the deplorable political rights of people and organizations and those who would bring change, is there a benchmark for others to use and a credible perspective that some of us can cite for the situation? So studies to the extent that they are addressed in the writings are invaluable and I think go a long way to helping us in justifying continuation of the Center's work.

Mr. Smith.

Mr. SMITH. Thank you very much, Mr. Chairman. I want thank our panelists for their testimony this morning.

Mr. Moss, did USIA support continued funding for the North-South Center and where in your view was this recommendation to zero out funding? Was it the green eye-shade types at OMB or was it the policymakers?

Mr. MOSS. Mr. Smith, as far as I can tell, it probably was the green eye-shade types. Let me say that USIA testified before a House appropriations subcommittee on State, Commerce and Justice just this week that, yes, the agency did submit to OMB a request for $10.3 million for the North-South Center in 1994. So the USIA request was there and as far as we have been able to determine, it was simply in a budget cutting exercise that occurred within OMB that the axe fell.

Mr. SMITH. Has the administration offered any rational explanation over and above—we all know that we are mired in huge debts but when you are talking about, as the chairman pointed out

so well, Chairman Fascell, such a modest amount of money for such a worthy cause, was there a rationalization provided?

Mr. MOSS. I have not heard one, Mr. Smith, other than simply the general need to reduce everything that is conceivably capable of being reduced and that choices have to be made, et cetera, that kind of rationale. But I have heard no rationale based on the merits of the case.

Mr. SMITH. In reading over your supplementary attachments that you submitted to the committee, I was struck by one item that you have suggested will not be receiving that much focus by the Center and that is in the area of debt. If you would want to amplify on that a bit in terms of why you feel the Western Hemisphere countries have perhaps gotten through or out of the woods with regards to debts.

THE DEBT SITUATION

Mr. MOSS. Yes, sir. Debt was the first big subject the North-South Center attacked in 1984 with the first "Miami Report" in which we were contrarians. We said that we felt the debt situation was not being well handled because it was a structural problem and not a cash flow or liquidity problem. We have had a number of ongoing debt studies ever since.

Now, even though despite the Brady Plans, overall Latin American debt has not been reduced by that much. It is certainly down from its high water mark of about $435 billion and Mr. Folsom will probably jump in and correct me—if I get these numbers wrong, and it is now down to probably about $418 or $420 billion, something like that, which is still an overwhelming debt.

Nonetheless, with the economic recovery, the debt is being better managed with the availability of Brady Plans or quasi-Brady Plans which have been introduced in country after country. At least the debt is being handled and managed. So we felt that other things needed higher priority at this point. We still have some ongoing debt studies in the pipeline but felt that now is not the time to cut new ground. But we have to be alert lest the debt crisis reemerge. If there is any downturn in Latin America economies, debt service can again become excessively burdensome and the countries will be unable to handle the debt.

I think, and maybe George would agree with me, that one of the positive indicators about debt, that one of the indexes I always look at is the trading price of Latin America debt on the secondary market. That price in every country situation, even Peru, has gone up which indicates, I think, an ability of the Latin American countries better to cope with the debt service, even though the debt itself has not been all together eliminated.

Mr. SMITH. Mr. Folsom.

Mr. FOLSOM. If I could just add, I would say with the exception of Peru and Brazil, the debt problem is now a—the debt issue is now not an item of major focus for the Latins because in fact they have already engaged in the structural adjustment that is necessary to reform their economies to both attract foreign investment to come in as well as many countries have actually returned to the international Euro-bond markets like Chile, for example.

And then, in addition, we have engaged in Brady Plan debt negotiations—well, we have not but Brady Plan debt negotiations have taken place with commercial banks with every country in the region that has a substantial amount of its offshore medium and long term debt held commercially, with the exception, in fact, of Brazil. Hopefully Peru could be done later this year, although the Brazilian negotiations I know are ongoing.

I should say also that through the EAI we engaged in bilateral debt reduction negotiations. This is particularly important for those smaller economies like Bolivia, for example, or even El Salvador, that have a substantial—in contrast to the Chiles and Argentinas of the world—they have a substantial amount of their debt held officially. When I say officially, I mean it is held by the multilaterals or bilaterals. Bilateral debt, U.S. debt.

You do not want to go into negotiations to reduce the multilateral debt because that would affect the credit rating of the multilateral institutions like the World Bank and the IDB. However, these debt negotiations that we have completed—also, I should throw in Honduras as well—have substantially decreased by a factor of fully 50 percent the bilateral and sometimes even official debt those governments previously had owned.

And those monies also have been put to good use and I should say again the North-South Center gave us some very good ideas about how to use the interest proceeds on the remaining principal of that debt. We have negotiated environmental framework agreements with many of these governments and have expanded the notion of environmental framework agreements to also include child survival. Now, of course, there is an interrelationship there. All you have to do is look at potable water. It is environmental and it is child survival.

So the Center and in particular Ambassador Moss were very helpful to me in being able to structure these agreements in a way that would be both useful and meaningful to the people in the region.

Thank you.

Mr. SMITH. I thank you for that answer and I have one final question, Mr. Chairman.

You know, probably the more glib answer that some might suggest with regards to a potential funding shortfall is just go to foundations, go to other governments and that may or may not materialize because money is short everywhere. But over and above the actual funding question, does not U.S. sponsorship provide a certain credibility over and above the actual financial commitment?

Mr. Moss.

Mr. MOSS. Yes, Mr. Smith. I think it certainly does. That is lot of the credibility, for instance, that wonderful programs such as the Fulbright Program have. We have found that that has not been a detriment but really an asset when dealing with Latin America academics.

I think that gone are the days when people looked at Federal Government money as coming from the CIA and there was left-wing opposition to such a thing. Now I think it is a positive asset and is seen as such.

It is also helping us attract money from other sources. In recent times, we have received over $250,000, for instance, from the European Commission for a special study they wanted on the potential role of Europe in the economic reconstruction of Central America. It is a useful leveraging tool.

Mr. SMITH. So in a sense if the administration pulls the plug and Congress does not come back with the money, that could actually hurt and injure your efforts to get money from foundations and other governments.

Mr. MOSS. I believe it would, sir, because it would look like basically a vote of no confidence.

Mr. SMITH. Understood. Very good point.

Mr. MOSS. As opposed to the vote of confidence we now enjoy.

Mr. TORRICELLI. Would you yield, Mr. Smith?

Mr. SMITH. I would be happy to yield.

Mr. TORRICELLI. Do you receive any assistance from the Canadian Government?

Mr. MOSS. Not yet, Mr. Chairman.

Mr. TORRICELLI. Well, the record should show that the Canadians have been writing with great enthusiasm for the continuation of the Center and we all share their enthusiasm. We also would appreciate their participation.

It appears to me that this has all of the makings of a North American institution and a North American effort. If they participate freely and enjoy the benefits of the Center, then we would be only too glad to have their flag on all the brochures distributed to the participants. That appears to me to be the most likely of new contributors.

Mr. Smith, did you have anything?

Mr. SMITH. Just to say to Ms. Purcell I could not agree with you more when you said that it is counterintuitive and self-destructive to proceed on the course that we are currently on and we will, I am sure, and there seems to be a good strong consensus among the members of this subcommittee to fight hard for North-South.

Thank you very much for your testimony.

Mr. TORRICELLI. Mr. Deutsch.

Mr. DEUTSCH. Thank you, Mr. Chairman.

Mr. Moss, when you were notified by the administration officials about the funding issue, were you given any specific reason for the recommendation of no funding?

Mr. MOSS. Well, Mr. Deutsch, I did not actually receive any notification from administration officials, I sort of read about it in the newspaper.

Mr. DEUTSCH. At this point, since you have contacted them directly, has there been any official explanation?

Mr. MOSS. The people we contacted, sir, were our mentor agency, USIA, who did not anticipate that result either and assured us that it did not happen at the behest of anything that they did. As I have said before, they in fact had put in to OMB for $10.3 million for 1994. We have not been in direct touch with OMB. I am led to believe that in the budget cutting exercise, that would be hard to do, simply because they were not—did not seem to be in a mood to be willing to discuss that matter, at least with us.

Mr. DEUTSCH. Please allow me to follow-up on Chairman Fascell's question. The East-West Center is funded at twice the level of the North-South Center. Is there any rational or any articulated explanation for this discrepancy?

Mr. Folsom or Ms. Purcell, please feel free to try to respond to that. Is there any rational reason why we are where we are in terms of the administration's proposal?

Mr. MOSS. My understanding is that East-West Center's budget was left untouched at that $26 million. I certainly echo Mr. Fascell in saying that we do not mean to suggest in any way, shape or form that what they do is not very valuable, I think it certainly is. But certainly I agree with Mr. Fascell, it sends the wrong message to eliminate the North-South axis and to say in effect that that particular agenda of issues is less important than East-West.

I have not seen any rationale expressed in those terms. As far as the best theory of why it happened, I subscribe to the Fascell theory of bureaucratic politics and I would not want to go beyond that.

Mr. TORRICELLI. Mr. Deutsch.

Mr. DEUTSCH. Thank you.

Did you want to follow up on that?

Mr. FOLSOM. Part of my duties at the Treasury required me to participate in annual hearings with the OMB to justify funding the multilateral institutions. And aside from the funding of debt, and I can assure you being very familiar with the dynamics of OMB, Treasury, the Federal bureaucracy, that my professional feeling is that Mr. Fascell is correct in his theory as to the justification for funding the East-West versus zeroing out the North-South Center.

Mr. DEUTSCH. I think it might be helpful to discuss the uniqueness of the Center and the history of its creation.

Is there any other academic organization in the country, in the world, that does similar types of programmatic and specific issues oriented and policy oriented programs comparable to what the North-South Center is running today?

Mr. MOSS. We do not believe, Mr. Deutsch, that there is any other organization with respect to the North-South agenda that does the same thing in offering such a multifaceted organization, a research organization, a think tank, a forum, an outreach organization, something which brings together policymakers, legislators, academics, private citizens, business and professional leaders, from North and South to get together.

I think also, and let me say that in my own view as a student of U.S.-Latin America relations, one of the most brilliant things of President Franklin Delano Roosevelt's Good Neighbor Policy was the implementation of an educational and cultural program which really created a close relationship or close feeling with an entire generation of Latin America leaders. That stood the United States in very good stead when, at the outset of World War II, immediately nearly every Latin America country declared war against the Axis powers. There was an era of good feeling throughout World War II with almost all the countries of Latin America and a sense of solidarity and kinship and mutual understanding.

I think another opportunity like that exists today. We are fortunately at a time where the East-West axis is removed from the

North-South context. The cold war is over, and now is the best time we have ever had in this country's history, since the Good Neighbor Policy, to consolidate that kind of close relationship with Latin America. We would be in the tragic position of missing an absolutely historical opportunity if we simply neglected it and let it go, did not pay any attention to it and either hoped that it would happen automatically or did not care if it did or did not. That would be a great tragedy for this country's policy and national interests.

Mr. DEUTSCH. Thank you very much.

Mr. TORRICELLI. Mr. Deutsch, if you would chair the remainder of the hearing, unfortunately, I have a conflict.

Before I left, I wanted to recognize Ms. McKinney.

You had wanted to be recognized?

Ms. MCKINNEY. Yes, Mr. Chairman. I would like to ask unanimous consent that a no vote be recorded on H. Con. Res. 38 for me and also that my prepared remarks be included in the markup record.

Mr. TORRICELLI. Let me explain to the members of the committee, the unanimous consent request is that the record be opened at the point we held a vote on the previous House Resolution to indicate that if present, McKinney would have voted no to change the record. Independently, a unanimous consent request that her remarks be put in the record at this point.

Is there any objection on either unanimous consent request? If not, the record will indicate a nay vote and will include your comments.

Thank you, Ms. McKinney.

Ms. MCKINNEY. Thank you, Mr. Chairman.

[The prepared statement of Ms. McKinney appears in the appendix.]

Mr. TORRICELLI. Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

Mr. Moss, if the Center does get its funding back on track, what are some of the plans and objectives that you have for the rest of the year and for the next fiscal year? What is the Center going to do? Anything differently? New programs? Continue what you have been doing or are you about to launch a new set of initiatives?

Mr. MOSS. We have a number of ongoing programs which are on track in a lot of the crucial areas which I have mentioned. One of the areas that we want to get more closely involved in, however, that we are looking forward to is developing programs in international public health policy because we think there we can really make a difference. We did it in an experimental way in a study on the international response to cholera but we think there are so many ongoing public health problems which get to the problems of social concerns and social equity in Latin America and which impinge indirectly even on the consolidation of democracy and the creation of civil society that we think we can make a contribution there.

We have, I should say, a continuous process of reevaluation of what our agenda is. We do not just get locked in on something and keep it the same year after year. As Mr. Smith stated, he noticed, that we have wound down the amount that we have put into the debt studies.

We have a strategic planning committee and we are in the process of forming an international advisory board. We receive constant advice from many quarters as to what should be the priority issues and when these need adjusting. Choices have to be made. So with a finite amount of resources, we have to look continuously at what we ought to be doing, whether these are the right issues to be studied. We do not want to be caught ever studying an issue which is no longer relevant and putting money into it when that is not needed.

Ms. ROS-LEHTINEN. So the health area is one of the ones that you are going to key in on.

Mr. MOSS. That is one of the new ones we want to take a special look at. Continuing also in our trade studies, we need to be looking at what would be the shape of a free trade agreement with Chile, with Colombia, with other Latin America countries and look at the parameters of those possible free trade agreements because very little is known. Both the past administration and the present one have promised Chile that they would be next in line but there has not been really any definition of what that really means and what the problems would be, what the guidelines would be, what the environmental impact would be, for instance, and other very specific areas which ought to begin to be looked at, even before the conclusion of NAFTA.

Ms. ROS-LEHTINEN. And related to that, what does the North-South Center see as some of the greatest challenges to American interests and the changes that have taken place in the Western Hemisphere and what are you doing about those challenges?

And one of the things that comes to mind, for example, is the changing role of the military and the police forces in Latin America. Do you see a mission for your center in examining what the changing role or the evolving role of the military and the police forces in Latin America will be and other challenges that you see before you?

Mr. MOSS. Yes. Very definitely. In fact, one of our senior research fellows right now is Professor Richard Millet, who is an expert on civil military relations. As it happened, our task force on democratization focuses a great deal on the role of the military in the creation of civil society. That was a principal theme, in fact, in a conference which we put on in Caracas about 3 weeks before the last attempted military coup in November of 1992. And we did that in collaboration with an element of the Central University of Venezuela and looked particularly at the role of the military.

In Central America also in cooperation with such local organizations as Centro Estna in Guatemala and Centro Demos in El Salvador, in looking at the transition to democracy, the revision of the role of the military and the professionalization of the military are two of the key elements in our studies on democratization. This is an absolutely key element, of course, in the continuation and successful conclusion of the Central American peace process.

Ms. ROS-LEHTINEN. Well, thank you. Just one last question. Having participated in some of your activities, I have noticed that you have had a special effort in engaging business, government, academic leaders from outside of the United States in all of your ac-

tivities. If you could give us just a few of those examples on how that participation has benefited in our national interest?

Mr. MOSS. Yes, indeed. I would be happy to.

We think that it is very important in any discussion of such items as free trade agreements to include both business and labor representatives. In fact, in a recent conference we organized, looking forward to a possible conclusion of free trade with Colombia, we brought up from Colombia leaders of the productive sectors such as flowers, textiles, manufactures and we also brought up one of the leaders of their chief labor confederation who sat on a panel with our own Bill Dougherty of the AFL-CIO to talk about labor concerns in a possible FTA with Colombia.

So we try to do that in every instance. We have a close cooperative relationship with the Council of the Americas, represented here by Susan Purcell, in business forums. We think this is terribly important.

We have also conducted a number of training seminars. We have one going on now which is actually the 31st in its series, a training seminar enabling small and medium size business people to get into the import-export business. One of the things that we identify in this country as a weakness is our competitiveness vis-a-vis Europe and Japan, when you get down below the major multinationals in being able to get in on trade with Latin America.

A conference we put on in Toronto was very illustrative in this respect. We put on a conference there which had to do with the future of NAFTA and trade with Mexico, with over 100 Canadian business firms that signed up and participated. And this was really an eye opener for them because they realized how they in Toronto were actually missing out on the tremendous increase in exports that U.S. firms were enjoying by taking advantage of the Mexican economic restructuring where our exports have climbed from $12 billion in 1986 to over $44 billion last year. They were not taking advantage in a similar fashion of the opening of Mexico. The purpose of our business forum there was—and it was put on in conjunction with about four different Canadian groups—to educate them to that potential.

Ms. ROS-LEHTINEN. Well, thank you. I think our academic refugee would like to comment.

Ms. PURCELL. No, I just wanted to add a comment to your earlier question about the threats and challenges. This may sound strange but I think that one of the biggest threats to the kind of progress that is going on in Latin America today actually may come from the U.S. Congress and the North-South Center is relevant here.

I really think—you know, the Latins have complained for decades about U.S. intervention in a very negative kind of way and they usually talk about troops or whatever. But actually now the Latins are very much afraid that the United States now that the cold war is over and there is no perceived Communist threat is going to look elsewhere and ignore them. And they responded extremely well to the Enterprise for the Americas Initiative and to President Clinton's commitment for NAFTA and expanding free trade in the hemisphere.

I think it is crucial that we move ahead with free trade agreements if we want to play a very important role in locking in the

kinds of economic reforms and to encourage the further consolidation of democratic development in Latin America and I think that the North-South Center, there is obviously no consensus over the NAFTA or many of these other issues because there are a lot of forces in the United States that are going to get hurt while others are going to benefit and I think that the North-South Center has played an important role in bringing many of these groups together to air some of these issues and to try and suggest kinds of compromises and I would urge Ambler to really sort of redouble his efforts in the coming months because I really think that the future of U.S. relations with Latin America hinges on a good and consensual resolution of this whole free trade issue.

Ms. ROS-LEHTINEN. Thank you so much. Thank you.

Mr. OBERSTAR. I am the last one.

If ever there were a tautology in public policy, the Center is it, a proposition whose value is evident in itself and it is unfortunate we have to spend this much time on a hearing, valuable and enlightening and important as it is, but it seems to me tautological that we ought to continue the Center.

I am sorry that Chairman Torricelli left. I will speak to him later. The Canadians are making a great contribution to Florida. Every year tens of thousands of them come and invest heavily in the state, sun-deprived Canadians who venture South and contribute heavily to the advancement of Florida and indirectly at least to the advancement of the Center.

Certainly from what I have observed the Center has been a catalyst for hemispheric understanding and cooperation and has advanced the cause of better relations, better understanding, that have been characteristic, as you have said, Mr. Moss, of Franklin Roosevelt's good neighbor policy, of John F. Kennedy's Alianza en Progresso, and continue what should be a very cornerstone of American foreign policy.

Regrettably, I think, the U.S. Government and the public in the United States, apart from regionalized areas such as Florida where there is an intense interest in Central and South America and the Caribbean, we tend to ignore events in Central and South America and the Caribbean until the pot threatens to boil over and then we rush in emergency style with some massive initiative to quell the problem, quiet the unrest and then sweep the problem under the rug and point a menacing finger at it, do not bother us again, and then we go away until it rears its ugly head in some other way.

ISSUES, NEEDS, AND PROBLEMS

The Center, it seems to me, provides the means to sustain a focus on the issues, the needs, the problems, and to be anticipatory. And I do not know enough of your studies, I have just received some of them, to know whether you really are being anticipatory in conducting research and engaging scholars and engaging business people and students particularly in the North-South dialogue to perform that role as I think it needs to be done.

Canada, I must say, having participated many years in the Canada-U.S. interparliamentary delegation, the Canadian parliament does have a very active North-South dialogue group and it is not just north-south to the United States but they mean north-south to

the Caribbean, to Central and South America. And they are focused and are very keenly interested and I would like to see them take a more active role in the work of the Center. It is good to note they are participating. But we must not lose the focus of this hemisphere. We are a part of the Americas, the northern part, but our destiny is tied to the rest of the Americas and the events that have happened so dramatically with the collapse of communism and the melting of the iron curtain, the disintegration of the Soviet Union, it tended to draw us to Central and Eastern Europe and to Russia, now the Independent States. And perhaps to distract us from needs, problems that are at our doorstep.

If the Center provides a useful role, it is that of continuing to maintain a focus for Americans on the problems of other Americans and I wish you well in your continuing effort and I wish the House and the Senate well in attempting to restore the funding. It will be an appropriations problem principally but I would hope and I would urge this subcommittee on the basis of this hearing and the documentation provided to distill the essence of the Center's work and submit to the appropriations committee a statement of encouragement and a rationale for continuing the funding of the Center's work. We need your focus. We need your continued encouragement to be that catalyst for understanding and cooperation in the hemisphere.

Thank you for being with us.

Mr. MOSS. Thank you very much, sir. I appreciate that very much.

Mr. OBERSTAR. The subcommittee stands adjourned.

[Whereupon, at 11:45 a.m., the subcommittee was adjourned.]

APPENDIX

PREPARED STATEMENT OF THE HONORABLE PETER DEUTSCH

Mr. Chairman and members of the subcommittee, as the Congress, the administration, and the American people grapple with the enormous and pressing challenges of fiscal concerns, jobs, and health care, other issues important to our Nation's interest unfortunately seem to have been relegated to the back burner of the national agenda. I am speaking specifically of our relations with our neighbors in the Western Hemisphere.

Beyond NAFTA and Haiti, I do not see the kind of attention the region deserves. This is particularly troubling on two accounts. First, the end of the cold war provides us with an unprecedented opportunity to redefine hemispheric security and strengthen our relations with our regional neighbors by focusing on economic and social well-being—a process which gives us the opportunity to build solid partnerships that tangibly benefit North, Central, and South Americans, as well as Caribbean peoples. Second, the crises and challenges that confront the region, from drug trafficking and the environment to democratization and trade, are ones that affect every American as well.

Mr. Chairman, the Congress, recognizing the great importance of inter-American affairs and the need for the United States to establish and support a suitably located national resource center on Western Hemisphere affairs, authorized support in 1991 for the North-South Center at the University of Miami.

This Center, through its research, policy analyses, collaborative studies, and public outreach activities has been fulfilling its congressional mandate during the past 2 years in a way in which we can all take heart—prudently and cost effectively.

As this subcommittee, in particular, is well aware, informed citizens of our Nation need to achieve a greater understanding of Western Hemisphere issues. The North-South Center is at the forefront of this educational effort, serving as partner with, and in many cases beacon for, public and private organizations engaged in political, economic, legal, social, and security analyses of priority hemisphere concerns.

It is entirely appropriate, Mr. Chairman, that as a reflection of the new times in which we live, the North-South Center has placed the matter of redefining security within the context of its Democratization Task Force. With the recent strengthening of civilian authority over the military in Latin America, citizens throughout our interdependent hemisphere can now join us in developing political and economic institutions that meaningfully address the needs of all sectors of society.

Given its attention to issues of both democracy and trade, it is not surprising that the North-South Center has created a number of unique programs which take an integrated approach to hemispheric issues. The Center's Canada Program, for example, focuses on our largest trading partner's role vis-a-vis the United States and other nations of the hemisphere in commerce, immigration, narcotics trafficking, social equity, and security. This last area merits particular consideration: In an era when collective security policies have clearly become more effective than go-it-alone strategies, Canada's experience in peacemaking and peacekeeping, and its reputation as an honest broker, serve to reinforce the advancement of our own interests and the democratic values we both share. In so doing, the Center forges closer, meaningful relationships between U.S. and Canadian scholars, policymakers, and nongovernmental organizations.

To cite another concrete example of the Center's achievements, its Environment Task Force has put together a new methodology for the evaluation of the effects of free trade on the environment in the Americas. This accomplishment comes on the heels of the Rio Earth Summit and meets the growing concern of environmental groups in the United States, Canada, Mexico, and elsewhere that ecological responsibility should not be overlooked in the initiatives to promote and expand free trade

in the Western Hemisphere. Since you have not come out publicly on NAFTA, your statement should not lean in any direction.

Recognizing that our historical relationship with Latin America has not always been the most harmonious, we can nevertheless recall that one of the most successful features of President Franklin D. Roosevelt's Good Neighbor Policy was the network of personal ties it built up between influential Latin Americans and their U.S. counterparts. The result was an entire generation of Latin American leaders who understood this country. The North-South Center, through its collaborative studies, reaching out from Canada to the Southern Cone, is building just that sort of common understanding.

The international linkages established by the North-South Center are fulfilling a function that government cannot perform. As this country's focus is necessarily fixed on our domestic problems—which has to be the case—we cannot afford to neglect our leadership role in the world, and especially in the Western Hemisphere, citing Bosnia inappropriate. And in doing so, let us recognize and reaffirm our strong support of the only research, public policy studies, and center for dialogue so dedicated to finding practical solutions to problems facing the nations of the hemisphere—including the United States—namely the North-South Center.

TESTIMONY OF THE HONORABLE CARRIE P. MEEK

MEMBER OF CONGRESS

before the

Subcommittee on Western Hemisphere Affairs

Committee on Foreign Affairs

April 22, 1993

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I WOULD LIKE TO THANK AND COMMEND YOU FOR HOLDING THIS HEARING ON THE REVIEW OF THE NORTH-SOUTH CENTER LOCATED AT THE UNIVERSITY OF MIAMI.

THE NORTH-SOUTH CENTER IS PERFORMING VALUABLE WORK IN OUR NATION'S INTEREST. IN THE TWO YEARS SINCE RECEIVING THE CONGRESSIONAL MANDATE MAKING POSSIBLE THE EXPANSION OF ITS ACTIVITIES, THE NORTH-SOUTH CENTER HAS DEMONSTRATED A REMARKABLE CAPACITY TO EFFECTIVELY CONSTRUCT AN AGENDA REFLECTIVE OF THE DIVERSE ISSUES AND NEEDS OF THE PEOPLES OF THE WESTERN HEMISPHERE.

THE NORTH-SOUTH CENTER FOCUSES ON MANY CRITICAL ISSUES NOT ONLY TO SOUTH FLORIDA BUT TO OUR COUNTRY. AS JUST ONE EXAMPLE, THREE EXPERTS FROM THE CENTER WILL BE PRESENTING A DISCUSSION HERE FOR CONGRESSIONAL STAFF TOMORROW ON HAITI THE INTERNAL AND CONSTITUTIONAL ISSUES, THE TOUGH PROBLEMS OF TRANSFORMING THE MILITARY INTO A CIVILIAN POLICE FUNCTION, AND HAITI'S PLACE IN THE CARIBBEAN.

THE NORTH-SOUTH CENTER'S AGENDA INCORPORATES SOCIAL JUSTICE AS WELL AS ECONOMIC GROWTH ISSUES, AND THE PROTECTION OF FUNDAMENTAL HUMAN RIGHTS AS WELL AS HOLDING ELECTIONS. WE NEED TO WIDEN THE FOCUS ON PROMOTING ECONOMIC EFFICIENCY BY ANALYZING AND ADDRESSING

NEW OPPORTUNITIES. THE MEMBERS OF THIS SUBCOMMITTEE AS WELL AS THOSE OF US FROM SOUTH FLORIDA KNOW THAT A HEMISPHERE MARKED BY POVERTY AND AN INCOMPLETE PROCESS OF DEMOCRATIZATION MEANS ECONOMIC, POLITICAL, AND MIGRATORY CONSEQUENCES THAT CHALLENGE OUR RESOURCES AND POLICIES.

WHILE THE NATIONS OF THE WESTERN HEMISPHERE HAVE MADE GREAT STRIDES IN RECENT YEARS THE DIFFICULT PROCESS OF ADJUSTMENT HAS AT TIMES THREATENED FRAGILE DEMOCRACIES IN THE REGION. THROUGH ITS DEMOCRATIZATION TASK FORCE, THE NORTH-SOUTH CENTER HAS INCREASED AWARENESS OF POLICYMAKERS IN LATIN AMERICA AND THE CARIBBEAN OF THE FRAGILITY OF DEMOCRATIC GOVERNING DURING TIMES OF AUSTERITY. STUDIES ARE UNDERWAY AT THE CENTER TO ANALYZE THE ROLE OF THE JUDICIARY IN DEMOCRATIC TRANSITIONS AND TO DEVELOP A BETTER UNDERSTANDING OF THE RELATIONSHIP BETWEEN ECONOMIC POLICY REFORM AND GOVERNMENTAL CORRUPTION--A PROBLEM ALL TOO COMMON IN THE REGION.

ON TRADE ISSUES, THE NORTH-SOUTH CENTER HAS ADOPTED AN APPROACH THAT IS BALANCED AND ORIENTED TOWARD THE LONG-TERM INTEREST OF BOTH U.S. CONSUMERS AND WORKERS. THIS YEAR THE NORTH-SOUTH CENTER HAS SPONSORED FIVE RESEARCH ACTIVITIES TO EXAMINE NATIONAL AND INTERNATIONAL LABOR ISSUES IN THE CONTEXT OF TRADE INTEGRATION. ITS TRAINING SEMINARS FOR SMALL AND MEDIUM SIZE BUSINESSES INTERESTED IN EXPORT OPPORTUNITIES IN LATIN AMERICA AND THE CARIBBEAN HAS INVOLVED 60 PERCENT MINORITY PARTICIPANTS AND ESTABLISHES A TREND SHOWING PROMISE FOR BROADENING THIS SECTOR.

UNDER THE DIRECTION OF A DISTINGUISHED PROFESSOR FROM TRINIDAD, A WIDE-RANGING CARIBBEAN STUDIES PROGRAM HAS BEEN

ESTABLISHED AT THE NORTH- SOUTH CENTER SO THAT THE CARIBBEAN NOT BE NEGLECTED AS INITIATIVES SUCH AS NAFTA ARE DEBATED.

IN A POST COLD-WAR ERA, THE POLITICAL AND SOCIAL ISSUES OF OUR HEMISPHERE SHOULD BE A SUBJECT OF BIPARTISAN CONCERN. THE NORTH-SOUTH CENTER SHOWS US THE WAY BY IDENTIFYING AN IMPORTANT AGENDA AND BY BRINGING PEOPLE TOGETHER TO FIND PRACTICAL SOLUTIONS. I HONESTLY BELIEVE THE CENTER IS ON THE RIGHT TRACK AND HAS MADE A POSITIVE CONTRIBUTION.

I WANT TO THANK YOU AND I DEFER YOUR QUESTIONS TO THE REAL EXPERT, CONGRESSMAN DANTE FASCELL.

PREPARED STATEMENT OF THE HONORABLE DANTE B. FASCELL
FORMER MEMBER OF CONGRESS
before the
Subcommittee on Western Hemisphere Affairs
Committee on Foreign Affairs
U.S. House of Representatives
Washington, D.C.
April 22, 1993

Mr. Chairman and Members of the Subcommittee, it is a pleasure to be back here with all of you again. I appreciate your invitation to speak today concerning the North-South Center at the University of Miami, an institution in which I take great interest and whose considerable achievements I know very well indeed.

To place things in context, Mr. Chairman, it is important for us to recall that the North-South Center was charged with its Congressional mandate in 1991 to fill a void: the need for a counterpart institution to the East-West Center in Honolulu to address the ever expanding agenda of pressing issues and vital concerns we face here in the Western Hemisphere. Underlying the need to create better relationships and greater understanding in the Americas is the undeniable reality of our interdependent relationship with our regional neighbors. It is in our enlightened self-interest to forge understandings that enable us to cooperate on problems like immigration, drug trafficking, and the environment — because the alternative is to go it alone; and that just won't work.

It's natural to ask: Why do we need a North-South Center? Don't other Latin American and Caribbean centers located at various universities do more or less the same sorts of things? Yes, Mr. Chairman, many of them do, but in bits and pieces only.

What makes the North-South Center unique are the following fundamental features: 1) the Center is a **multidimensional** institution — part think-tank, part foundation, part forum, part policy-development center, part public outreach vehicle, and part publications center. It's a clear case where the whole exceeds the sum of its parts; 2) the Center **strengthens and enhances other Latin American study centers** in their programs and policy research with carefully targeted financial and in-kind support; 3) through the Center's comprehensive and well-designed North-South agenda, supported by both grants and in-house research, it **increases the efficiency of government-supported research on the Americas**, preventing duplication and fragmentation of our Latin American study base; 4) through its unmatched linkages with other institutions in the United States and throughout the Americas, **it has become the center of** a powerful set of "hub and spoke" **relationships** which otherwise would not exist; and 5) as a

national institution, the Center is not caught up in inter-institutional or partisan rivalries — it is nonpolitical, a bipartisan repository of information whose value is growing as the importance of the hemisphere is increasing.

We know, then, why the North-South Center is unique — but what has it accomplished in two short years? Since receiving an appropriation of $10 million dollars in 1991-92, a supplemental $5 million in 1992, and $8.7 million in 1993, the North-South Center has firmly established itself, gaining wide recognition from Canada to the Southern Cone, as the only inter-American institution that combines programs of research, public outreach, databases, information services, and publications with grants that strengthen and support the international programs of scores of U.S. institutions. The North-South Center's policy-focused programs contribute to effective decision-making in the hemisphere.

Let me give you just a few examples of how the North-South Center has responsibly and effectively carried out the public trust with its Congressional appropriations:

* The Center's **Grants Program** has awarded almost $3 million in grants involving a wide array of institutions across the United States and abroad, forging a hemisphere-wide network of partnership to address problems of singular importance to our nation such as drugs, immigration, trade, and the environment.

* The **Drug Trafficking Task Force** put together a 3-year program of research and studies that involves Latin American and U.S. research institutions working in the field. From the beginning, this task force's work has gained widespread influence in both academic and policymaking circles in the Americas, advancing knowledge while at the same time providing practical policy guidance.

* The Center's extensive trade programs have grown to include 31 projects relating to NAFTA and hemisphere-wide trade arrangements. Its **Western Hemisphere Trade Program** has played a central role in shaping the public policy debate on hemispheric free trade and competitiveness.

* The Center's **Democratization Task Force** has examined the effects of economic reforms in Latin America on the consolidation of democracy and suggested ways of better meeting the basic needs of the poor in the region.

* The **Environment Task Force** has designed a new and effective framework for the evaluation of the effects of free trade in the Americas.

* The North-South Center's **INFO-SOUTH database** of 60,000 executive summaries from over 1,200 publications has vastly expanded the amount of timely information available to business, academic, and policy communities throughout the hemisphere.

* Finally, the Center has produced a steady stream of **scholarly and policy-oriented publications**: 24 books, monographs, and occasional papers in 1991, 41 in 1992, and more than 10 already this year.

For the record, however, Mr. Chairman, I'd like to offer a somewhat fuller accounting of North-South Center achievements.

North-South Center Programs and Activities, 1991-93

1. Internal Research and Institutional Linkages

Research on topics that respond to the hemispheric agenda is central to the mission of the North-South Center. The Center's internally directed research forms a fundamental link between the identification of problems in the inter-American system and their eventual solutions. All activities undertaken form linkages with other research institutions in the hemisphere, either through cooperative research programs, joint work projects, or shared research and outreach coordination. The Center's emphasis on these linkages reflects an effort to ensure that the resulting research is fair and objective, while taking into account a variety of perspectives and intellectual dimensions of the particular issue.

The center executive staff moved early on to incorporate a co-sponsorship requirement in its joint research programs, beginning with in-kind contributions by participating institutions. Typically, cooperating institutions have been asked to contribute the cost of principal investigators' time, administrative services and facilities, and local and regional outreach efforts. At times, the cost-sharing component in a collaborative research project has reached 30 percent of direct costs, as is the case with the Center for the Study of the United States in Venezuela, which co-sponsors a two-year outreach program on hemispheric trade integration, and the ICESI joint research project on free trade between Colombia and the United States. In a few cases, the Center has been the minority participant, as was the case in a project on trade and the environment with the OAS, where the Center covered only publication costs while the OAS supported a major international conference in Santiago, Chile, and the preparation of research papers. The goal for 1993 and beyond is to increase the percentage of co-sponsorship in the center's internal research programs by encouraging participating institutions to take on a greater share of the direct costs of each research program.

2. Program Impacts 1991-1993

A. Democratization

In the belief that a democratic hemisphere is the key to finding solutions to the great array of human problems and the *sine qua non* of U.S. political, economic, and strategic interests, the Center has embarked on activities designed to encourage and consolidate democratic change throughout Latin America and the Caribbean. The programs begin with a new, wider definition of democratic change, which includes concern for the flow of information,

the safeguarding of human rights, and the provision of basic human needs, including guarantees for public health and education.

In 1992, the monograph, *Economic Development and Social Change: U.S.-Latin American Relations in the 1990s*, presented a broad prospective of ideas on the connection between the democratization process and economic performance, and explored such issues as income distribution, basic needs, the respective roles of the public and private sectors as economic actors, and the effects of economic performance on certain social groups and on the military in particular. In response to a consensus in the policy and research communities engaged through the center's institutional contacts, the democratization task force began to develop a series of research and outreach activities oriented around a functional approach to the extremely broad democratization agenda. At the center of this functional approach is a systematic program of research on the effects of economic adjustment programs in countries with fragile democratic institutions. The task force seeks to advance informed discussion and scholarly research that probes the complex relations between political liberalization and democratic consolidation on the one hand, and economic liberalization and the logic of the marketplace, on the other.

To address the broad range of issues within this approach, the democratization task force developed a systematic program of country-specific research and comparative regional studies. The research presented in an international conference held in Buenos Aires in 1992 provided a wide framework of analysis of the problem of neoliberal economic restructuring and its effects on democratic institutions and certain social groups. While Argentina was used as a case study in some of the research, the proceedings spoke to larger issues that are of relevance to practically all Latin American and Caribbean countries. The essays presented at the conference, and written by North American and Latin American economists and political scientists, are to be published in the summer of 1993, in an edited volume. Shortly after the conference, the Center's first *Issues* report on democratization was published: "Neoliberal Economic Reforms and New Democracies in Latin America," which provided the center's intellectual focus for input into the policy and business communities.

The attempted coup in Venezuela in early 1992, and the accompanying crisis of democratic governance in a country which had heretofore represented democratic stability, provided an opportunity for the Center to highlight the need for continued attention to the future of democracy in the region. The Center established linkages with the Carter Center, the University of Georgia, the Wilson Center, and the Instituto Venezolano de Estudios Sociales y Politicos (INVESP) in Caracas to undertake a multifaceted research and outreach program on the crisis in Venezuela. In November 1992, the Center sponsored an international academic and policy conference in Caracas, entitled "Democracy Under Stress: Politics and Markets in Venezuela," which included the participation of high-level government, private sector, and military representatives. The commissioned papers will be published this year.

A December 1992 conference, "International Transformations and Hemispheric Restructuring: New Patterns of U.S.-Southern Cone Relations—The Cases of MERCOSUR and Chile" at the North-South Center, co-sponsored by FLACSO, CLADDE, and the Center's

external grant program injected concerns about the political sustainability of economic reforms into research on sub-regional and regional trade integration. The analysis of the liberalization process and its effects on social actors and democratic institutions establishes a unique role for the Center in the current policy debate over free trade and its benefits. The proceedings of this conference will be published in an edited volume in 1993.

The relationship between security and development issues was addressed in a research paper and a series of international conferences on "Security, Democracy, and Development in Latin America," in collaboration with FLACSO, Chile, CLADDE, Santiago, and the University of North Carolina, Chapel Hill. In February 1993, an international conference was held at the North-South Center to present original research that explores the linkages between the development of democratic institutions, free market economies, and hemispheric security. This high-level meeting of academics, government leaders, and military experts built upon the dialogue established between academics and hemispheric military leaders in Santiago, Chile, at a FLACSO/North-South Center-sponsored workshop.

Events in Central America also presented opportunities for the Center to contribute to the research on democratic transition in countries racked by ideological conflict and civil war. A one-year study by Dr. Rene Herrera Zuniga, co-sponsored by El Colegio de Mexico, on "Nicaragua and the Negotiated Transition," will be published in 1993. An assessment of democratic prospects in Nicaragua, written by Dr. Zuniga was published by the Center in the November 1992 issue of *Focus*.

For 1993, the democratization task force plans to expand the research on the tensions between economic reform and democratization by looking at specific social groups and institutions, unique country case studies, and comparative regional issues of social change that have implications for the democratization process in the Americas.

B. Drug Trafficking

The devastating social and political effects of drugs and drug trafficking have provoked great concern in our country. Drugs and drug trafficking are intimately linked to violence and terrorism and closely tied with problems of economic development and democratization. The drug trade poses serious threats to public health, institutional development, and political stability in much of the hemisphere. The human dimensions of the problem are obvious: violence and social disintegration have been observed in practically all geographical areas of the North-South community. The economic, political, and strategic resources of the United States have already been brought to bear on this issue, further complicating the North-South relationship.

The North-South Center is responding to the complex challenge of the drug problem by organizing activities and systematic research designed to increase understanding of the sub-national, national, and international dynamics and implications of drug production and consumption. Despite the significance of the problem, there remains a gap in knowledge about the drug trade. The center is endeavoring to help bridge this gap with additional background

information and in-depth analysis to assist in the formulation and implementation of policies to combat the explosive growth of narcotics trafficking and consumption, and to address the social, political, and regional effects of the problem.

The drug trafficking task force was expanded in June 1991 at the Center's agenda-setting conference. A prominent panel of experts from Colombia, Ecuador, Mexico, and the United States contributed to this session. The presentations were made to an audience of drug policy experts, the press, and an interested private community. The national press took interest in the presentations by former Colombian Minster of Justice Monica DeGreiff and the director of studies for the Instituto de los Andes, Juan G. Tokátlian. A common course of action was prescribed which would emphasize regional understanding and promote regional solutions to the extremely problematic issue.

The first issue of the *North-South Magazine of the Americas* was also released at the June 1991 meeting and included an interview with Colombian President Cesar Gaviria Trujillo. Shortly afterward, the Center released a monograph entitled *Myths of Militarization*.

Fall 1991 activities included a Washington briefing by the task force director, Dr. Bruce Bagley, for Congressional staff. In collaboration with the Graduate School of International Studies, the task force conducted a distinguished speaker series on drug trafficking issues in the Americas with a specific focus on U.S.-Andean drug trade throughout the spring of 1992.

The first North-South *Issues* report was launched in February 1992 with a piece on Cartagena II written by the task force director. The staff director of the Subcommittee on Western Hemisphere Affairs, termed the analysis "first-rate." Released to coincide with the San Antonio Drug Summit of hemispheric heads of government, this piece drew attention to the event and served as an informative contribution to the policy debate. Following a briefing on the summit and review of the *National Drug Control Strategy for 1992*, the task force director conducted a number of media interviews including an appearance on the McNeil-Lehrer Report.

Following consolidation of its initial research activities on the drug issue, the North-South Center task force began to weave together the strands of research being conducted throughout the hemisphere to take a comprehensive look at the status of drug studies. This research conference, entitled "The State of the Art on Drug Trafficking Research in the Americas," was convened in March 1992 and included panels discussing the regional perspectives, current trends, and future directions in drug studies. The workshop initiated a study of the political economy of the U.S.-Latin American drug trade conducted by U.S. and Latin American scholars.

More than 50 specialists, political advisors, and media representatives attended the workshop to present research from institutions in North America, South America, and the Caribbean. Among the participants were representatives of government and non- governmental policy research institutions in Washington including the Congressional Research Service, Washington Office on Latin American, and RAND. The three-day workshop was keynoted by

Ambassador Fernando Cepeda Olloa, Colombian Ambassador to Canada. Papers from this workshop were released in a special Winter 1992 edition of the *Journal of Interamerican Studies and World Affairs*. A complete edited volume will be published this year.

In Spring 1993, the Miami coordinators of the task force will jointly prepare a second *Issues* report, focusing on the drug war in Colombia. Briefings and outreach presentations for universities in the United States and abroad are also planned. Members of the task force have conducted briefings for Congress, USIA delegations, and others in Miami.

The task force has developed numerous working relationships with research institutions throughout the region. They include: Centro de Estudios Internacionales, Universidad de los Andes; Centro de Estudios de Desarrollo, Universidad Central de Venezuela; Facultad Latinoamericana de Ciencias Sociales, Ecuador; Centro Peruano de Estudios Internacionales; Centro de Estudios de la Realidad Economica y Social, Bolivia; Latin American and Caribbean Center, Florida International University; Facultad Latinoamericana de Ciencias Sociales, Argentuna; the University of Pittsburgh; and others.

A current priority goal for the drug task force is the production of an annotated bibliography of hemispheric research in drug studies. In addition, policy studies and region-specific recommendations on combatting trafficking and use of illicit drugs will be produced under the 1993 work plan. A major policy workshop was held in March 1993 in Bogota for team coordinators, and the results of eight ongoing country/region studies of the political economy of the drug trade will soon be published.

C. Trade

Trade is the most powerful force for integration and prosperity on the planet. The legislation establishing the Enterprise for the Americas Initiative envisions a region of free trade that extends from Alaska to Tierra del Fuego. Such a vision responds to the promise of an integrated hemisphere of prosperous, democratic peoples that will build on the North American achievement in trade integration. In recognition of the need and opportunity for the Western Hemisphere to meet the challenge of world trade, the North-South Center sponsors many activities and much research around hemisphere-wide integration efforts.

The focus on trade and trade integration is a logical response to the hemispheric policy agenda and a reflection of greater global concerns about the hemisphere's role in the global economic exchange. Trade issues permeate practically every program and working group at the Center, and trade represents a programmatic nexus for internal research coordination along bilateral, sub-regional and regional lines.

In 1991, the Center commissioned two monograph-length studies on hemispheric economic relations that focused on trade as the key to future economic relations between the United States and the other nations of the Americas. *United States Economic Policy Toward Latin America: Seminar Proceedings and Papers* by Norman Bailey, saw trade as the primary

vehicle of U.S.-Latin American relations. In *Free Trade With Mexico and The Hemisphere: Obstacles and Implications* by Siegfried Marks, the benefits of North American trade integration leading to hemispheric trade integration were analyzed and explained.

The 1992 *Miami Report III* was a synthesis of government, business, and academic analysis of North American trade integration, presented as policy recommendations for the policy community at large. *Miami Report III* was the only major study to alert the policy community to the potentially negative effects that NAFTA could have for Caribbean and Central American countries.

In September 1991, the Center undertook a major cooperative research program with the Colombian Institute of International Studies (ICESI) in Cali designed to establish, through systematic research, a potential negotiating position for both Colombia and the United States in future free trade treaty negotiations. The study uses general equilibrium analysis across a range of 14 economic sectors on the Colombian side, and six major trade areas on the U.S. side. The results of the research were discussed in a December 1992 workshop in Cali, and the policy recommendations were presented in Miami in March 1993 in an international conference of academic and private sector experts from the United States and Colombia, including labor leaders and the Colombian Trade Minister, Agriculture Minister, and other U.S. and Colombian government officials. An edited volume of the research papers and summary conclusions will be published by the Center in the fall of 1993, as well as a Spanish-language volume by ICESI in Colombia in the winter of 1994.

Since the summer of 1991, the Center's Western Hemisphere Trade Program has engaged in outreach activities to mobilize hemispheric resources around trade integration. A Fall 1991 workshop brought together hemispheric trade leaders, especially those representing small and medium-sized enterprises (SMEs) to plan the construction of a "road map" of relevant databases and trade directories for support in facilitating trade activity. This road map was made available by the Center in the fall of 1992.

The Program also turned its focus to mobilizing the more neglected actors in free trade: SMEs that have been excluded from participation in hemispheric trade either because of their size, their inward orientation, or their country's protectionist policies. Large firms and multinationals are already reaping the benefits of liberalized trade; the North-South Center perceives its role as that of an agent of change that identifies those areas which existing institutional mechanisms for hemispheric economic cooperations have traditionally ignored.

After the seminar on databases, the first of an on-going series of workshops for SMEs was held in May 1992. "The Challenge of the Enterprise for the Americas Initiative: Maximizing the Benefits for SMEs" was a major workshop that gathered over 60 representatives of SMEs and trade leaders from governments, the private sector and international organizations across the hemisphere to discuss the practical issues involved in building hemispheric competitiveness, and to develop skills, establish networks, and build institutions for hemispheric trade integration. The proceedings of the workshop will be published by the center in early 1993.

The program also moved into institution building on the policy level through a comprehensive research and policy outreach program designed to build a hemispheric institutional architecture for economic and trade integration. Co-sponsored by the Inter-American Dialogue, and directed by former Dialogue President and Special Assistant to the President for Inter-American affairs, Richard Feinberg, and Peter Field, the program was launched in January 1993 with a workshop that brought together about 40 participants representing government, the media, business, multinational organizations, NGOs, and academe to explore alternative paths to hemispheric integration and the possible role of a regional free trade institution. A workshop report will summarize the proceedings and will provide the foundations for a more formal conference and presentation of research in Washington in October 1993.

D. Environment

The hemisphere's environmental inheritance is under attack, and the pressing social needs of many hemispheric countries are complicating factors in the search for solutions to environmental degradation. Rising economic expectations and demographic explosions bring social forces into contradiction with efforts to preserve the hemisphere's environmental heritage.

The center's contribution to the solution of these problems stems from recognition that the problems of environment and development are related and have become increasingly international. The center plays an active role in facilitating technical, political, and economic solutions to national and regional environmental problems. This includes support of activities that generate increased awareness and understanding of the complex dynamics of environmental issues, as well as efforts to mobilize hemispheric political, economic, and technical resources and bring them to bear on the problem of environmental destruction.

The primary focus of the North-South Center environmental task force is the relationship between free trade and the environment. The center is engaged with the University of North Texas and Latin American research, government, and private institutions in a comprehensive country-study program that would explore the possible effects, both beneficial and harmful, that trade liberalization and trade integration would have on the North-South environmental endowment.

The environment task force, directed by Christine Harwell, began its activities in March 1992 with the Center's co-sponsorship of a major OAS conference on trade and the environment held in Santiago. For the conference, the center published its first *Issues* report on the environment, written by Ms. Harwell and Robin Rosenberg and entitled, "Free Trade and the Environment: The North-South Challenge." An updated version of the report will be published in early 1993 along with selected papers from the Santiago conference in a North-South Center book to be edited by Ambassador Heraldo Muñoz of the OAS and Dr. Robin Rosenberg, Director of Studies of the North-South Center. The volume will present readers with a wide range of views on the controversial issue of trade and the environment, from industry leaders to economists at the major international financial institutions.

Ms. Harwell participated in the June 1992 Earth Summit in Rio de Janeiro. The *Issues* report on the environment was widely disseminated at the summit and it generated great interest from official participants, NGO representatives, and local and international news media.

The environment task force's program to develop a methodology for evaluating the effects of free trade on the environment began in a July 1992 workshop in Caracas, for which papers on Venezuela's trade position and possible economic scenarios after free trade were commissioned. The second workshop will be held in Miami in early 1993. The conclusions of the two workshops will be summarized in a white paper to be released in April 1993. The white paper will include a methodology to ascertain the environmental effects of free trade, and it will be followed by a volume of selected papers from both workshops. The North-South Center plans to share the methodological tools developed in this project with institutions in countries where free trade with the United States is a distinct possibility, and where there is a concern for the environmental effects of increased economic activity.

Members of the task force contributed a chapter for the forthcoming book *The Politics of Regional Integration: Europe and the Western Hemisphere*. The paper focused on the environmental policy components on the European Community and NAFTA negotiations (issues including mitigation of damages from pollution and dealing with external environmental threats).

The Center's environment program for 1993 will focus on an inter-disciplinary research program on the regional trade in toxic chemicals and hazardous wastes, surveying all known operations in toxic chemicals and hazardous wastes, analyzing the potential for growth in these economic sectors under free trade agreements, and examining current and future environmental impacts with a view toward public policy recommendations.

E. Interamerican Business and Labor Program

Experts and policymakers generally agree that the private sector — organized labor and business — will have to play the primary role in economic development in the Americas. The failure of statist models, and the diminished economic role of the public sector in the context of hemispheric economic reform and restructuring, suggest that the private sector will be the primary agent of economic development and prosperity in the Americas. The North-South Center recognized the increasing importance of private agents in economic development, commercial relations and hemispheric integration by the establishment of the Inter-American Business and Labor Program (IABLP).

The Inter-American Business and Labor Program was engaged during the second half of 1992 in laying the institutional groundwork for a full range of research, outreach, and training programs for the 1993 funding period. The agenda for 1993 includes a research program on NAFTA and specific economic sectors in collaboration with the University of Texas; a joint working group that will produce one "white paper" on a priority issue in hemispheric business affairs, and an enhanced training unit which will feature management and practical international business training.

F. Canada Program

Launched in December 1991, the Canada program focuses on Canada's role in the hemisphere vis-à-vis the United States, Latin America, and the Caribbean. The evolution toward a common North American economic structure poses challenges and opportunities in the areas of politics, economics, trade, commerce, and science and technology.

The dynamics of Canadian-U.S.-Latin American-Caribbean relations is the focus of programs of education and training, cooperative study, public outreach, and academic research. The project has developed formal ties with the North-South Institute and the Canada-Latin American Forum in Ottawa and the Americas Society's Canadian Affairs Program in New York. Soon to appear is the volume *Canada's Roles in the Hemisphere: Setting the Agenda.*

The first of a series of lectures on Canada's role in the hemisphere was held in Miami in December 1992. This series, part of the Molson Distinguished Lecture Series, is co-sponsored by Molson Ltd. and the Americas Society and provides a forum for Canadian business leaders to raise awareness of Canada's role in economic development and technology transfer in Latin America and the Caribbean.

The agenda for 1993 includes a quadripartite hemispheric security research program, to examine hemispheric security from the Canadian, U.S., Latin American and Caribbean perspectives, and a research and outreach program on Canadian-Caribbean relations in collaboration with the Center's Caribbean Studies program.

F. Brazil Working Group

The special position of Brazil in the inter-American system is recognized by the North-South Center in the Brazil working group, a multi-disciplinary program of research, outreach, and publication exploring Brazil's role in the Hemisphere.

Brazil's growing political and economic crisis has tremendous implications for the inter-American system. The crisis impacts the major regional and sub-regional initiatives in trade integration, debt management, drug trafficking, emigration, and security. Such regional initiatives risk failure or partial success only if Latin America's largest country is not willing or able to participate as an equal partner in the inter-American system.

In October 1991, the Center, in co-sponsorship with the Getulio Vargas Foundation in Rio de Janeiro and the Federal University of Rio de Janeiro, held an international conference on the political constraints on Brazilian economic development. The participants were drawn from government, academia, and international organizations, and strategic issues such as debt, trade integration and environmental problems were addressed in a context of political and institutional crisis. The conclusions of the workshop were published in a January 1992 *Focus* report. The papers from the conference were published in December 1992 in a volume entitled, *Political Constraints on Brazil's Economic Development.* Also published during 1992 was a

major textbook on Brazilian law, *Panorama of Brazilian Law*, written by the Brazil Working Group director and co-sponsored by the Federal University of Rio de Janeiro and Editora Esplanada Limitada.

The Brazil working group's agenda for 1993 includes an international conference and research program on modifying the Brazilian constitution, a new *Focus* report on Brazil and a case study on political corruption.

G. Peru Working Group

The Peru Working Group is a response to recent threats to democracy in this important and strategic Andean country. The Center is studying the crisis in Peru from a variety of perspectives. Issues of civil-military relations, constitutionality, strategic threats from the radical left which have caused national and regional instability, and economic deterioration engage the democratization task force and programs; the issue of drug trafficking and its relationship to guerrilla insurgency have major implications for the Center's drug trafficking task force; and Peru's Shining Path insurgency raises issues that cut across all the Center's programs and task forces.

A team of Peruvian experts and analysts launched a conference in May 1992, which provided an open forum for Peruvian legislators, jurists, journalists, leaders from the government and the opposition, and scholars to discuss the causes of the crisis and possible mechanisms of reconciliation. Two months later, an edited summary of the proceedings was published in Spanish in Lima, and an annotated background bibliography was also prepared as a primer for audiences unfamiliar with the crisis.

For 1993, the Peru Working Group plans two international seminars and associated research projects, one on political violence and the other on the economic dimensions of the Peruvian crisis.

II. Caribbean Studies

Established in September 1992, and directed by Dr. Anthony Bryan, the Caribbean Studies Program was engaged in institutional development during the fall of 1992. Linkages and co-sponsored collaborative projects have been established with the University of the West Indies, the Institute of Caribbean Social Studies (IESCARIBE), and the Interamerican Institute of Agriculture (IICA) in Costa Rica, the Wilson Center, Florida International University, and INVESP in Caracas. A wide range of research, outreach, publication and conference activity is planned for 1993, including a Caribbean Studies agenda-setting conference and a multi-institutional research program on the effects of NAFTA on the Caribbean countries.

Mr. Chairman, this is only a partial listing of some of the distinguished work the Center has accomplished, and I'm sure Ambassador Moss and others will provide you with much more. Taken together, these significant accomplishments have improved the quality of discussion and

the conduct of political, economic, and social relations in the Americas immensely. They add up to an agenda that directly impacts the American people in the form of jobs and prosperity, export opportunities, immigration, drugs, and the promotion of shared democratic values. This agenda has been and will continue to be the primary focus of the North-South Center's projects, programs, and activities. Mr. Chairman, with a mandate so important, issues so complex, and a track record in which we can have confidence, one can readily see that the Congressional appropriation sought by the North-South Center for FY 1994 ($10 million) is a very reasonable sum.

Everyone is aware that the nation's budget deficit has to be cut, and all federally funded programs need to be reevaluated. Careful and fair scrutiny takes time and attention. I fear that in our hurry to get that enormous budget deficit down we could slash or even abolish certain programs that are clearly worthwhile and performing well. This would be like throwing the baby out with the bathwater. I would submit that any serious examination of the North-South Center's accomplishments is far less likely to raise the question of where the funding has gone than how the Center has managed to do so much, so effectively, and in such a short period of time.

Mr. Chairman, as one who has been intimately familiar with the North-South Center from the outset, I can honestly tell you that this institution has not met my expectations — it has exceeded them and continues to do so. In my opinion, the North-South Center at the University of Miami is a vital national resource that merits the full support of the Congress of the United States.

Embargoed Until Delivered

PREPARED STATEMENT OF AMBLER H. MOSS, JR.
DIRECTOR
NORTH-SOUTH CENTER AT THE UNIVERSITY OF MIAMI
before the
Subcommittee on Western Hemisphere Affairs
Committee on Foreign Affairs
U.S. House of Representatives
Washington, D.C.
April 22, 1993

Mr. Chairman and Members of the Subcommittee, I welcome the opportunity to appear before you today to describe a unique national resource: the North-South Center at the University of Miami.

I do so at a time when the United States has an unprecedented opportunity to affect positively the process of change in a hemisphere vital to U.S. interests. Along with the nations of Latin America, the Caribbean, and Canada, our country is examining ways to expand trade to unforeseen levels. An effective process of peace and reconciliation seems to have taken hold in Central America after a decade of strife. Fledgling democracies in South America are battling for survival against narcoterrorism, armed insurgencies, and militarism. Cuba, where freedom has been subverted for over 30 years, is facing the harsh realities of economic failure and isolation. Millions of potential immigrants from nearby countries continue to view the United States as an economic or political haven. The unabated flow of illicit drugs from South America and Mexico tears at our nation's social fiber.

I know that the Congress is aware of these urgent problems, Mr. Chairman, and so is the North-South Center at the University of Miami. We are working to present the American people and their leadership and policymakers with thoughtful and practical ways to deal with them. With such concerns in mind, Mr. Chairman, I have a written statement, which I will summarize, that explains what the North-South Center has accomplished. Additional material has been submitted to the Subcommittee staff for their information.

The North-South Center is the ***only*** research, public policy studies, and information center to dedicate a full array of programs and grants exclusively to finding practical solutions to problems facing the nations of the Western Hemisphere. The Center's programs of timely and pertinent research, cooperative study, education, and training have benefitted U.S. citizens by supplying knowledge and expertise directly applicable to our concerns in the Americas. And through our conferences, joint research programs, and public affairs activities, the Center informs government and opinion leaders throughout the Americas of our concerns, ideas, and

perspectives. In this way, the Center has become an important national resource and a unique focal point for joint study of our common problems.

For nearly ten years, the North-South Center has sought to influence change in the Americas in three ways: 1) by developing research and training programs that foster the exchange of ideas and analysis of critical hemispheric issues; 2) by promoting technical and scholarly interchange and the development of productive links among scholars and the private and public sectors; and 3) by producing publications and implementing educational activities that strengthen communication and the sharing of information among the nations of the Western Hemisphere.

In its early years, the Center identified issues of special concern — the debt crisis and its effects on Latin American economies and societies, the study of Soviet policy in Latin America, drug trafficking, and the challenges of democratic transition — and also sponsored a number of conferences and publications on these issues. A benchmark academic quarterly, the ***Journal of Interamerican Studies and World Affairs***, disseminates the results of current research to the wider academic community, libraries, and research institutions. The Center also produces a continuous flow of books, monographs, and working papers on contemporary topics. Further, the Center created an electronic database on Latin America, Canada, and the Caribbean that remains unique to this day, providing 24-hour access to thousands of news stories, monographs, and information items on developments in the region. Today, INFO-SOUTH receives over 800 queries a month for information it has accumulated since its founding in 1988.

Funds provided by Congress in 1991 allowed a rapid expansion of the North-South Center's activities and impact (a budget summary, 1991-94, is included at the end of this testimony). With advice and input from research and policy institutions from throughout the hemisphere, the North-South Center established task forces and programs to address four critical policy topics: first, the economic issues of trade, investment, and debt; second, drug trafficking; third, democratization; and fourth, the environment. The output of these programs and projects, supported by the Center's information and publication resources, has established a track record of credibility, balance, and reasoned analysis among government, academic, and business leaders throughout the Americas.

To fully appreciate the significance of the North-South Center's programs and activities and their relationship to the well-being of citizens in the United States, it is necessary to take a moment to reflect upon the growing importance of the interdependent linkages that mark our relations with our hemispheric neighbors. They may not be the subject of our daily fare of crisis headlines, but they are of fundamental importance to our country and its people, and indeed to the entire hemisphere. Let me give you some examples:

Competitiveness and Jobs — The economic future of this country depends on our ability to compete effectively both at home and in global markets — particularly the Latin American market, where the United States sold **more** exports in 1992 than it did to Japan or Germany, and to which the rate of increase of U.S exports over the past two years has been three times as

great as that to all other regions. Mexico has now surpassed Japan as the second largest importer of American manufactured goods, and two-way trade between us is now at $75 billion per year. Sound trade and economic policies, recognizing private-sector led growth and development as the key engines for prosperity, are essential to the modernizing efforts of our Latin America and Caribbean neighbors, and a crucial link in our economic well-being, since not only trade and jobs but migration and environmental concerns are inextricably entwined with these new policies. Here the North-South Center has been on the cutting edge of scholarship and policy formation on competitiveness, inter-American trade promotion, hemispheric business activities, and government and labor relations.

Drug Policy — We have learned from painful experience that the lives of Andean coca growers and the lives of millions of Americans who have been affected by drug addiction and crime are linked in powerful ways. Mr. Chairman, the North-South Center's Drug Policy Task Force, in collaboration with other hemispheric institutions, has been a national leader in stimulating unbiased, constructive analysis of narcotrafficking by comprehensively addressing strategies for cooperation in alternative economic activities, interdiction, demand reduction, and the strengthening of enforcement capabilities and legal institutions.

Immigration — Which population centers in America have not been profoundly affected by massive and increasing inflows of immigrants during the last decade? America's melting pot has been overflowing, especially with immigrants from Mexico, Haiti, Cuba, Central America, and South America. The North-South Center has examined critical immigration-related issues by dealing with the root causes of immigration.

Environment — Decisions made about the environment in the tropical Americas affect the quality of food we consume, the pace of progress of new medicines, and our very weather patterns. We need to strengthen North-South cooperation on environmental degradation, especially as trade and economic growth proceed along intertwining paths. The North-South Center has produced research addressing the imperative to reconcile economic growth and prosperity with a safe and clean environment for present and future generations in the hemisphere.

Democratization — Professor Abraham Lowenthal of the University of Southern California states in the current issue of *Foreign Affairs* that "Latin America today is a prime arena ... for the core U.S. values of democratic governance and free market economics." In response to threats to democratic reforms achieved over the past decade in countries such as Haiti, Venezuela, Peru, Brazil, Nicaragua, and El Salvador, the North-South Center has worked to identify the forces that undermine democratic consolidation in the Americas and has sought to provide forums for compromise and broadened political participation.

Mr. Chairman, the North-South Center is a valuable national resource precisely because its research programs, publications, grants, and information systems have provided the ideas and the interchange for our business, labor, academic, and policy communities to confront the burning issues that affect the quality of life for all of our citizens. I have already described the

priority areas for our activities. Now, let me detail how the Center's programs have tackled each of these issues:

First, the far-reaching multiplier effects of our efforts have been felt as a direct result of the North-South Center **Grants Programs**, which have used a highly competitive review process to award almost $3 million in grants involving 110 institutions across the United States and abroad. By sharing resources in the grants programs and in the Center's own research and outreach projects, a hemisphere-wide network of institutional collaboration has begun to tackle issues of critical importance to the nations of the Americas.

The **Western Hemisphere Trade Program** has focused policy debate on the long-term implications of new hemispheric trade arrangements. The North-South Center's trade and economic integration programs have helped to shape the dialogue on competitiveness, hemispheric free trade, and subregional economic integration — issues of fundamental long-term importance to the United States. While public debate, particularly in the United States, tends to concentrate on specific short-term issues, a series of seminars and workshops sponsored by the North-South Center has focused on the long-term interests of the United States in the hemisphere. By bringing together policymakers and opinion leaders to analyze these vitally important topics, the Center is playing a key role in the effort to forge workable, free, and fair regional trade agreements.

Miami Report III, on trade and investment in the hemisphere, has contributed to the policymaking process by identifying and analyzing the possible negative effects of NAFTA on prosperity in the greater Caribbean, an issue of direct impact on many regions in the United States.

Our **Inter-American Management Training Project** has trained over 300 executives from small and medium-sized firms — over 60 percent from minority businesses — on how to export to Latin American and Caribbean markets.

Our **Drug Policy Task Force** set into motion a comprehensive, 3-year program of research and studies with the participation of over 25 Latin American and U.S. research institutions in order to give policymakers across the hemisphere new insights and state of the art research in the war against drugs.

The **Environment Task Force** has developed and implemented a new, effective framework and method for the evaluation of the effects of free trade on the environment in the Americas.

The **Democratization Task Force** has provided research and policy guidance on the effects of economic liberalization on the fragile democracies of the Americas. A January 1993 conference on national reconciliation in El Salvador brought together bitter adversaries to engage in the ongoing process of building political consensus and conflict resolution. Combined with our work on economic revitalization and growth, the Democratization Task Force's work has

also provided practical guidance in understanding the political, economic, and demographic roots of migratory flows to the United States.

Our **Canada Program** is the **only** Canadian studies program in the United States focusing exclusively on Canada's relations in the hemisphere. Its activities have heightened awareness and recommended policy options in the areas of U.S.-Canadian trade relations, NAFTA, security, immigration, development assistance, and corporate strategy.

Finally, the Center's **INFO-SOUTH** Database of 60,000 executive summaries of articles from over 1,200 publications has provided timely, policy-relevant information for the hemispheric business, academic, and policy communities.

Mr. Chairman, the very scope of these activities and the dynamic linkages they produce have made the North-South Center a very special resource. Nevertheless, some might say that there are many other Latin American programs affiliated with universities in the United States. Why, then, is the North-South Center necessary?

Of the other centers, some focus on a single nation or area; others are noted for their strengths in a particular subject, such as land tenure or the electoral process. Still others focus their attention on the academic preparation of future generations of scholars. All these efforts are valuable and contribute greatly to our ability to understand and interact with the nations and peoples of Latin America and the Caribbean. The North-South Center has strengths in many areas similar to those just mentioned, but it has proven also to have several unique and invaluable characteristics which no other center can duplicate.

The first and most obvious of these is its strategic location. Miami is the natural gateway between the United States and most of Latin America and the Caribbean. There is a constant passage of both North Americans and Latin Americans through the city on their way to or from other destinations. As the North-South Center's reputation has grown, it has provided myriad opportunities for constructive interactions to take place with no partisan agenda, only a commitment to promoting democracy, economic progress, and the free interchange of ideas. We have found that leaders and scholars throughout the Americas not only seek us out, but regard the Center as a place of value to them for dialogue and study.

Through the *Journal of Interamerican Studies*, the *North-South Magazine*, the *North-South Issues and Focus* series, *North-South Agenda Papers*, and public education activities, including its publication of conference proceedings and scholarly works, the Center has provided both rapid and widespread dissemination of the products of its research, conferences, and studies.

The North-South Center also has demonstrated the capacity to organize special briefings on selected subjects for corporate audiences, Latin American institutions, academic gatherings, the media, and the U.S. Government on short notice. Support such as co-sponsorship of the annual Congressional workshops held in Miami, services provided to U.S. businesses interested and involved in Latin America, and the relations with the U.S. Army School of the Americas have been valuable and have contributed to the unique nature of the Center. Overall, the North-South Center's location, staff, publications, and programs have given it both a depth and breadth

of involvement in promoting contacts and dialogue among the Americas — as well as U.S. understanding of the rest of the hemisphere — which no other center can match.

Mr. Chairman, the North-South Center developed its agenda precisely in response to the need to confront the challenging problems in our region and to seize new opportunities in an era when Cold War rivalries have ended but easy solutions to such problems are not in the offing. In tackling such issues as NAFTA, drugs, the environment, and the consolidation of democracy, the North-South Center's studies, conferences, publications, and meetings with opinion leaders from throughout the hemisphere have not occurred in a vacuum, but have been the means by which the Center has conducted dialogue and built linkages involving more than one hundred institutions, as well as thousands of scholars, government officials, and business, labor, and media leaders. A significant and tangible by-product of such ties — and a reflection of the efficiency and effectiveness of the Center's operations — has been the development of extensive co-sponsorship and co-funding of the Center's activities, now totaling almost $2 million.

Mr. Chairman, the interdependence of the Americas is a reality that permeates our lives and those of our fellow citizens at the workplace, in our commercial establishments, at our schools, on our streets, and in the home. Yet, for our neighbors in the hemisphere — as recent events in Haiti, Peru, and Venezuela have demonstrated — nothing like the "end of history" is at hand. As Professor Paul Kennedy has noted in his new book, *Preparing for the 21st Century*, "Latin America may present Washington with formidable and growing challenges — social, environmental, financial, and ultimately political." The North-South Center, having fulfilled its mandate in both the letter and the spirit of the law, is uniquely positioned to advance knowledge and provide practical policy solutions to these formidable challenges just as relations with Latin America, Canada, and the Caribbean become ever more important to our national interests.

Finally, Mr. Chairman, as reflected in the supplemental materials given to the Subcommittee staff, the North-South Center has received numerous expressions of appreciation from Members of Congress as well as government officials, academics, private sector professionals, and organizations working on hemispheric issues and in the field of Latin American studies. In other words, the Center has been not only an important focus for research and dialogue, it has also become a much relied upon clearing house for ideas and a coordinator of international projects on key issues that are in our national interest and affect our citizens in their daily lives. The agenda the Center addresses can only grow ever more important in the years ahead.

Mr. Chairman, and Members of the Subcommittee, thank you for your time today. I am anxious to respond to any questions you may have concerning any aspect of our activities and accomplishments.

North–South Center
Summary of Total Budget
(IN THOUSANDS)

	1991 – 92 [1] Actual	1993 Estimate	1994 Estimate
General Operating Expenses:			
Salaries & Benefits	$2,009	$1,068	$1,111
Administrative Support [2]	1,806 [3]	292	307
Office Rental	306	364	382
Indirect Costs/Other	2,423	1,506	1,350
Subtotal	$6,544	$3,230	$3,150
Program Expenses:			
External Grants:			
Democratization	$678	$342	$400
Narcotics Trafficking	180	87	120
Trade	213	199	200
Environment	517	256	210
Investment	101	25	35
Debt	37	25	30
Cultural Programs	304	218	160
Educational Programs	115	76	75
Social Equity & Change	0	125	125
Ongoing Programs and Consortium Relations:			
Democratization	448	212	265
Narcotics Trafficking	174	116	148
Trade	242	238	300
Environment	132	78	102
Investment	0	96	115
Debt	47	25	60
Cultural and Educational Programs	399	463	430
Area Studies:			
Canada	135	81	102
Caribbean Studies	85	68	86
Inter–American Business and Labor	94	95	120
Info–South	1,157	610 [4]	1,162
Library	768	350	700
Publications	1,331	984	1,030
Student Scholar Support	1,299	701	875
Subtotal	$8,456	$5,470	$6,850
Total All Resources	$15,000	$8,700	$10,000

[1] 1991 – 92 actual expenditures represent a FY 1991 appropriation of $10 million (for an initial two year period) and subsequent FY 1992 supplemental program funding.

[2] Administrative Costs include such operational expenses as supplies, telephone, xeroxing, printing, postage, computer services, building and equipment maintenance, and administrative travel.

[3] 1991 – 92 administrative expenditures also included such one–time start up costs as building renovations, furnishings and capital equipment purchases.

[4] FY 93 allocation for Info – South covers a seven month funding period only; all Info – South years comprise substantial subcontracting to UCLA and the University of New Mexico for the Latin American database projects at those institutions.

North-South Center
UNIVERSITY OF MIAMI

AMBLER H. MOSS, JR.

Ambassador Moss is Director of the North-South Center at the University of Miami. He is also Dean of the Graduate School of International Studies and Professor of International Studies at the University. From 1977 to 1978 he was involved with the negotiation of the U.S.-Panama Canal Treaties and their ratification, and was Deputy Assistant Secretary of State for Congressional Relations. In 1978 he was appointed by President Carter and reappointed by President Reagan as Ambassador to Panama and member of the U.S.-Panama consultative Committee, posts he retained until 1982. Previously, as a member of the career Foreign Service, he served in Spain, in the U.S. Delegation to the Organization of American States, and as Spanish Desk Officer in the Department of State. Amb. Moss received his B.A. from Yale University in 1960 and J.D. in 1970 from The George Washington University. He was an officer in the United States Navy (submarines) and is a life member of the American Legion and Navy League. He is a member of the Bars of Florida and the District of Columbia and has practiced law in Washington, Brussels (Belgium) and Miami. He is a member of the Council on Foreign Relations (New York), Royal Institute of International Affairs (London), International Institute of Strategic Studies (London) and Inter-American Dialogue (Washington). Amb. Moss has received decorations from the governments of Spain, Panama, Argentina, and Catalonia. He has also received the Harold Weill Medal from New York University of Law, and the U.S. Department of the Army Commander's Award for public service. He was recently named Lawyer of the Americas by the University of Miami School of Law *Inter-American Law Review*. Ambassador Moss is fluent in Spanish, French and Catalan. He is married to Serena Welles Moss and has four children.

PREPARED STATEMENT OF GEORGE A. FOLSOM, ESQ.
(FORMER U.S. TREASURY DEPARTMENT DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL DEVELOPMENT, DEBT AND ENVIRONMENT POLICY)
BEFORE THE
SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

22 APRIL 1993

Mr. Chairman, members of the subcommittee, ladies and gentlemen. I appear before you today to advocate the full restoration of FY 1994 appropriations of $8.7 million for the North South Center at the University of Miami which was zeroed out by lower level OMB officials despite having been in the USIA budget submission. The Center, which is a very new facility, spends its Congressionally appropriated funding very prudently on practical public policy research, public education and business advisory work on such issues as international trade, the environment, economic reform, telecommunications, transportation, narcotics, and democratization. It is short sighted that at a time when our relations with the countries of the hemisphere are beginning to improve for the first time in many years, the United States is cutting the funding of the Center which is exclusively dedicated to promoting better relations among those countries.

Mr. Chairman, I think it is always important to know the background of your witnesses. I am the former Deputy Assistant Secretary for International Development, Debt and Environment Policy at the United States Department of the Treasury in the Administration of former President George Bush. Among many other duties, my team was in charge of spearheading the development, negotiation and implementation of the Enterprise for the Americas Initiative (EAI) which has been praised by many heads of state and leaders in Latin America as well as by other experts such as Dr. Henry Kissinger. The joint efforts of many offices at the Treasury, agencies throughout the Federal Government, the NGO's, the business community and advisory groups such as the North South Center were crucial to our successful effort.

In such capacity, I had the responsibility to make public presentations on the EAI to many diverse audiences. Unfortunately, I learned that the American public, particularly outside the beltway, was very uninformed about Latin America and the Caribbean, and its importance to our country. In contrast to other regions of the world, Latin America is geographically contiguous, has a population larger than Western Europe and remains our fastest growing market for the U.S. exports of goods and services in the world.

It is in our national self interest to work to correct this deficiency of knowledge if we expect to promote and take advantage of the economic, political and environmental reforms in the region through higher U.S. exports of goods and services and the promotion of democracy. The Center is one of the few institutions outside of the Washington-New York corridor which can help sustain this effort at improved informed relations and the development of economic and business opportunities between our country and other countries of the Western Hemisphere. It should be noted that the Center has extensive relations with and supports through Congressional funding other academic institutions throughout the U.S. and Latin America and the Caribbean on issues of mutual interests.

Let me reiterate this final point of education of the American public outside the beltway. I feel particularly strongly about this point. The Congress is a direct link on a more focused basis to the American people throughout our Country. I am convinced of the pivotal role in our government played by the Congress in the development and implementation of our international finance, trade, environment and foreign policy. The truly effective way to genuinely educate and convince the Congress of the strategic necessity of appropriate free trade negotiations with Latin America (including all of its related aspects of the issues I have already raised as well as those of democratization, administration of justice, economic and investment reform) is in fact through supporting such institutions as the North South Center to thoroughly pursue such issues. The Center, in short, can help debate these issues across a broad range of political and other fields of interests with the objective of helping the Administration and the Congress hone in on and develop the specific approach we should take to these highly interrelated issues.

Mr. Chairman, members, thank you for your consideration of restoring funding for the North South Center. If you have any questions I will be happy to entertain them.

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PREPARED STATEMENT OF DR. SUSAN KAUFMAN PURCELL

VICE PRESIDENT

AMERICAS SOCIETY

before the

Subcommittee on Western Hemisphere Affairs

Committee on Foreign Affairs

U.S. House of Representatives

Washington, D.C.

April 22, 1993

After the "lost decade" of the 1980s, Latin America has now entered a period of great promise and opportunity. Its economies are being opened and made more efficient and productive, while its relatively new democratic political systems are becoming more institutionalized, transparent and accountable to the public. Progress toward the creation of a North American free trade area, combined with movement toward subregional trade blocs in Central and South America, will help lock in these economic and political reforms as well as transform the Western Hemisphere into an increasingly attractive market for investors and producers.

Latin America's economic and political opening has increased the demand for information about the region from a variety of publics that until now have not focused much on Latin America. These include U.S. and foreign businessmen, lawyers, investment bankers, stockbrokers, specialists on international trade, journalists, labor unions, and politicians.

In addition to the new opportunities in Latin America, however, the area continues to suffer from a series of problems and challenges that increasingly will require multilateral solutions, undoubtedly involving cooperation with the United States. These include drug trafficking, the destruction of the environment, illegal immigration and the influx of large numbers of refugees.

Like the promising opportunities in Latin America, these more negative developments have also increased the demand for new information and ideas for solving or managing what seem to be increasingly intractable problems.

Until recently, most academic institutions that had special programs or institutes devoted to the study of Latin America were not of great interest or value to nonacademics seeking information about the area that was relevant to their practical concerns. Instead, Latin American centers within universities tended to focus on the culture or history of the region, and often, their focus was too theoretical.

The University of Miami's North-South Center, specifically its programs on Latin America, is one of the few institutions to break this mold. From the beginning, it has focused on public policy issues of interest to policymakers, businessmen and the

interested public seeking practical and useful information about the region. The Center also has sought to bridge the often wide gulf among academics, the private sector and local, state and national governments. This has made possible an exciting exchange of ideas and sharing of different perspectives that have made the Center's programs and publications of unusual interest to a broad range of "consumers."

The North-South Center's attempt to involve a variety of constituencies interested in Latin America is reflected in its choice of Ambassador Ambler Moss as Director of the North-South Center and Dean of the Graduate School of International Studies of the University of Miami. A former U.S. ambassador to Panama, Ambassador Moss came to the University of Miami with excellent contacts in government, business and the academic community. The North-South Center's location in Miami, the largest "Latin American" city in the Western Hemisphere and the one with the fastest growing trade relations with the region, also emphasized the Center's intention to involve itself with practical, as well as academic, issues and concerns.

The North-South Center has been in existence since 1983, but its activities and publications have gathered special momentum since November 1990, when Congress appropriated $10 million to expand the Center's programming, then another $5 million in the summer of 1991 to augment the original grant. Congressional funding put the Center on a solid and stable financial footing and allowed its faculty and administration to devote full time to fulfilling its congressional mandate of fostering hemispheric cooperation. During the past two years, in particular, the Center has launched an impressive array of new programs, many of which have been completed but some of which are still in progress. It has also awarded numerous grants to individuals and institutions in both the United States and Latin America. Much good work, as well as promising cooperative relations, would be aborted or destroyed if the Center's congressional funding were suddenly to be terminated.

I would like to give you an idea of the kinds of interesting and important projects that the Center has sponsored. The Center's Annual Report for 1991 provides a comprehensive list of its activities, so there is no need for me to repeat that information here. I do want to highlight, however, some of the more innovative programs, to give you a sense of what would be lost if the Center ceased to receive congressional funding or lost a significant portion of it. Such projects include:

- North-South Journalism Fellowships, which give qualified Latin American journalists the opportunity to learn about U.S. journalism through collaborative efforts with North American journalists. By strengthening Latin American journalism, Latin American democracy will also be strengthened, since a free, competent and competitive press is essential for the well-being of Latin America's new democracies.

- Summer Seminars in U.S. Studies for Latin American Social Scientists and Academic Professionals, which equip Latin Americans to teach, do research and report on the United States. This program helps remove misunderstandings and enhances the possibilities for cooperation between Latin America and the United States across a broad range of issues and fields.

- Consolidation of Democracy in the Americas: A North-South Workshop for Civil Leaders to enhance leadership skills for directors of civil organizations from Latin America, the United States and Canada. The program will increase citizen involvement in the democratic process, thereby helping to institutionalize Latin

America's new democracies and allow grass-roots leaders to learn from and help each other.

- Cholera Prevention in Panama, a project for the development of an audiovisual education program that will be disseminated to villages and islands thought Panama. The project is a practical response to a resurgence of an old epidemic throughout Latin America.

- Marketing and Economic Restructuring in Latin America and the Developing World, a project that includes a research competition among Latin American scholars and convenes authors of award-winning papers for an international conference focusing on export-led development, distribution systems, marketing technology and the political environment for marketing. The focus on marketing is especially appropriate for Latin America, which has long been deficient in precisely this aspect of export development.

- The Politics of Regional Economic Integration: Europe and the Western Hemisphere examines the experience of Europe as a theoretical and practical model for Latin America, which itself is experimenting with a variety of forms of integration, including free trade areas (NAFTA) and common markets (Mercosur). The project will help Latin Americans adapt aspects of the European experience that are useful to them while making them more conscious of errors to be avoided.

In addition to these various projects, the North-South Center has created a number of data bases and information systems that have become indispensable research tools. One of the most used and best known is Info-South, which offers access to worldwide sources of information on Latin America, including sources in various languages and sources not normally given a wide distribution. The service includes abstracts that give clear summaries of the material in English.

Also widely used is the Cuban Information System, aimed at assisting research on post-revolutionary Cuba. As the consensus grows that Fidel Castro's days are numbered, growing numbers of businessmen, lawyers, government officials and other professionals are finding the system increasingly valuable.

The North-South Center's many publications are well known and receive wide distribution. Particularly impressive, however, is North-South The Magazine of the Americas, which recently has been redesigned and now includes short and very readable articles on important topics of current interest such as economic integration efforts in the Hemisphere and the crisis in Haiti.

Focus, a new publication begun in 1992, is a brief analytical and informational report that highlights the political and economic conditions of each country in the region, focusing on a particular theme. A recent Focus that dealt with Mercosur, for example, provided an excellent update on economic integration in the Southern Cone, as well as a frank evaluation of Mercosur's strengths, weaknesses and prospects for survival.

I would like to conclude by sharing with you my personal experiences and involvement with the North-South Center. Since I live and work in New York City, I cannot take advantage of many programs and events sponsored by the Center. I have, however, been able to participate in a number of excellent projects, which include the following:

- A conference in Miami on Cuba and the prospects for political and economic change. The conference was well attended, and I was particularly impressed by the large number of businessmen in the audience.

- A conference on Brazil, held at the Getulio Vargas Foundation in Rio, which sought to explain why Brazil was so far behind its Latin American neighbors in restructuring and opening its economy. The conference attracted well-known Brazilian academics, former government officials and businessmen as participants.

- A conference on the NAFTA held in Canada, which attracted a capacity audience filled mainly with Canadian businessmen eager to learn more about both the NAFTA and Mexico in general.

- A meeting entitled "Setting the North-South Agenda," whose participants included the heads of most major programs and institutions specializing in Latin American or Western Hemispheric studies. Held shortly after the end of the Cold War, it aimed to evaluate the impact of the changed international environment on Latin America and U.S.-Latin American relations and what these changes implied for the research agenda concerning Latin America.

I have also made good use of many of the publications of the North-South Center in my writings and speeches. Furthermore, they have provided me with ideas for programs at the Americas Society.

Finally, I have had the good fortune to work rather closely with Ambassador Ambler Moss, Director of the North-South Center, on a number of occasions. The most recent was last year, when we both were members of the Working Group on the Western Hemisphere of the Environmental Protection Agency's Trade and Environment Committeee. Ambassador Moss was asked unexpectedly to take over the chairmanship of the working group. He was a superb chairman and helped craft a balanced, lucid and timely report on the relationship between hemispheric trade and sustainable development. My work with him on that working group reinforced my earlier impression of Ambassador Moss as an incisive, fair and intelligent individual who works well with people holding a variety of views.

To sum up, the North-South Center, under the leadership of Ambassador Ambler Moss, is an institution that was created at the right time, in the right place and for the right reasons. It is filling a valuable need, and the demand for its services will continue to escalate as Latin America becomes increasingly integrated into the international economy and seeks to increase its cooperation with the United States in a wide variety of areas, from trade and investment to drug enforcement and environmental protection. It deserves continued and generous congressional support.

CYNTHIA A. McKINNEY
11TH DISTRICT, GEORGIA

Congress of the United States

House of Representatives

Washington, DC 20515-1011

Mr. Chairman:

I appreciate your giving us the opportunity to consider, once again, a cogent policy toward the tiny island of Cuba.

I understand the frustration that many of my colleagues feel when a thirty-year old policy undertaken by the United States fails.

I also understand what it is like to want something so desperately that alternative avenues are rarely considered.

I come from a district where there is still racial strife; we have communities where blacks and whites don't talk to each other.

In some our counties, is a fact that there exist communities that fought being placed in the majority-black 11th district, and some communities fought the idea of having me, a black woman, as their representative. When I was campaigning, we were told not to stay in those communities until the night, because of my fight in the reapportionment process to include their county in the 11th Congresssional district, that my life would be endangered.

Hatred and animosity are not pretty things. And our challenge now is to make our residents understand that we must live and work together. That we have to talk to each other in order to do that.

I have opened dialogue with all of the contending forces in the 11th District. Those who were motivated by fear, now understand that they need not be.

I wonder if pursuing the same failed policy of thirty years is the answer. I suspect that just as I am able to bridge an awful chasm in a state, by the way that is still fighting a Civil War. Certainly we can do with communication and dialogue that which we all want to see for the people of Cuba, and that is a democratic form of government that represents the interests of all the people on the island.

Statement by Dr. Richard L. Bernal
Ambassador of Jamaica to the United States of America

Submitted for the Record
to the Subcommittee on Western Hemisphere Affairs
House Foreign Affairs Committee
for the Hearing on the North-South Center
Thursday, April 22, 1992

I am pleased to be able to express support for the operations and activities of the North-South Center, located at the University of Miami.

In 1983, the North-South Center was established to promote dialogue and increased understanding on issues of importance to the people of the Western Hemisphere. Since then, the Center has played a vital role in generating constructive debate on hemispheric cooperation in a number of policy areas, including debt, trade and investment, drug trafficking, environmental management, and democratization.

In carrying out this mandate, the Center has undertaken a number of important initiatives designed to provide policy-makers, government officials, academics, and other interested Americans with the tools necessary to understand broad Western Hemisphere issues. Such initiatives include:

- The support and publication of research on issues including the Haitian crisis, prospects for democracy in Cuba, and free trade with Mexico;

- A 24-hour database that tracks information on Western Hemisphere affairs;

- The sponsorship of numerous task forces that monitor and report on such issues as the environment, drug-trafficking, and democratization.

Raising public awareness of these issues -- but especially regional environmental cooperation and collaborative efforts to halt drug-trafficking -- are important objectives for my country, Jamaica, and are central to regional efforts to ensure mutual stability. Moreover, as the public debate continues over NAFTA and its place in a hemispheric-wide framework of economic cooperation, the research and scholarship supported by the North-South Center will become increasingly important.

Over the past two years, Congress has appropriated funds to expand the programming of the North-South Center to support academic and informational exchanges among the people and countries of the Western Hemisphere. Continued support of the U.S. Government is necessary, indeed critical, if the North-South Center's important initiatives are to continue.

ASSOCIATION OF AMERICAN CHAMBERS OF COMMERCE IN LATIN AMERICA

April 21, 1993

The Honorable Robert Torricelli, Chairman
House Subcommittee on Western Hemisphere Affairs
United States House of Representatives
Washington, D.C. 20515

Dear Representative Torricelli:

On behalf of the Association of American Chambers of Commerce in Latin America (AACCLA), I want to thank you for holding this hearing to examine the valuable contributions of the North-South Center.

AACCLA is the umbrella organization for 22 American Chambers of Commerce (AmChams) in 19 nations in Latin America. Our chambers represent over 16,400 companies and individuals dedicated to facilitating increased U.S. - Latin trade and investment. Our members manage the bulk of American commerce in the region, and are, therefore, the most knowledgeable executives on doing business there. AACCLA is an unmatched resource for American businesses looking to become more active trading with the nations of Latin America.

Our members have benefited by participating in the Center's ongoing programs and issue conferences. For example, the North-South Center's Enterprise for the Americas Program and AACCLA have worked together to generate support for the Western Hemisphere trade integration throughout Latin America. The Center's programs are timely, practical and solution-oriented.

By bringing together business, labor, government officials, NGOs, think tanks and grass-roots organizations, the North-South Center has become a valuable and singular vehicle for increased dialogue and cooperation among all the institutions in the hemisphere. The North-South Center is currently engaged in a valuable year-long effort to examine potential mechanisms to achieve the common goal of generating a free trade zone from Alaska to Antarctica. There is no other organization that could effectively undertake this ambitious and comprehensive program.

We strongly encourage the Congress to continue to provide adequate funding for the Center to sustain and expand these programs. I ask you to include this statement of strong support for the North-South Center in the official record of this hearing.

Sincerely,

Purdy C. Jordan
President

IV

103D CONGRESS
1ST SESSION

H. CON. RES. 38

Calling for the United States to propose and seek an international embargo against the totalitarian government of Cuba.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 1993

Mr. DIAZ-BALART (for himself, Mr. TORRICELLI, Mr. MENENDEZ, Mr. SMITH of New Jersey, Mr. BALLENGER, Ms. ROS-LEHTINEN, and Mr. DEUTSCH) submitted the following concurrent resolution; which was referred to the Committee on Foreign Affairs

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CONCURRENT RESOLUTION

Calling for the United States to propose and seek an international embargo against the totalitarian government of Cuba.

Whereas the United States has shown a deep commitment, and considers it a moral obligation, to promote and protect human rights and fundamental freedoms as expressed in the Charter of the United Nations and in the Universal Declaration of Human Rights;

Whereas the Congress has historically and consistently manifested its solidarity and the solidarity of the American people with the democratic aspirations of the Cuban people;

Whereas the Cuban Democracy Act of 1992 calls upon the President to encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of that Act;

Whereas the 1992 FREEDOM Support Act requires that the President, in providing economic assistance to Russia and the emerging Eurasian democracies, take into account the extent to which they are acting to "terminate support for the communist regime in Cuba, including removal of troops, closing military facilities, and ceasing trade subsidies and economic, nuclear, and other assistance";

Whereas the Government of Cuba has engaged in the illegal international narcotics trade and harbors fugitives from justice in the United States;

Whereas the Castro government has threatened international peace and security by engaging in acts of armed subversion and terrorism such as the training and supplying of groups dedicated to international violence;

Whereas the Castro government has utilized from its inception and continues to utilize torture in various forms (including by psychiatry), as well as execution, exile, confiscation, political imprisonment, and other forms of terror and repression, as means of retaining power;

Whereas Fidel Castro has defined democratic pluralism as "pluralistic garbage" and has made clear that he has no intention of tolerating the democratization of Cuban society;

Whereas the Castro government holds innocent Cubans hostage in Cuba by no fault of the hostages themselves solely because relatives have escaped the country;

Whereas although a signatory state to the 1928 Inter-American Convention on Asylum and the International Covenant on Civil and Political Rights (which protects the right to leave one's own country), Cuba nevertheless surrounds embassies in its capital by armed forces to thwart the right of its citizens to seek asylum and systematically denies that right to the Cuban people, punishing them by imprisonment for seeking to leave the country;

Whereas the United Nations Commission on Human Rights has repeatedly reported on the unacceptable human rights situation in Cuba and, in Resolution 1992/61, took the extraordinary step of appointing a Special Rapporteur;

Whereas the Government of Cuba refused access to the Special Rapporteur and formally expressed its decision not to "implement so much as one comma of Resolution 1992/61";

Whereas on December 4, 1992, the United Nations General Assembly passed Resolution 1992/70 which "Regrets profoundly the numerous uncontested reports of violations of human rights and fundamental freedoms" described in the Special Rapporteur's report to the United Nations;

Whereas Article 39 of Chapter VII of the United Nations Charter provides that the United Nations Security Council "shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken . . . , to maintain or restore international peace and security.";

Whereas the United Nations has determined that massive and systematic violations of human rights may constitute

a "threat to peace" under Article 39 and has imposed sanctions due to such violations of human rights in the cases of Rhodesia, South Africa, Iraq, and the former Yugoslavia;

Whereas the totalitarian nature of the Castro regime has deprived the Cuban people of any peaceful recourse to improving their own condition and has led thousands of Cuban citizens to risk or lose their lives in attempting to escape from Cuba to freedom; and

Whereas the Cuban people deserve to be assisted in a decisive manner to end the tyranny that has oppressed them for 34 years: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the United States considers the acts of the Castro government, including its massive, systematic, and extraordinary violations of human rights, a threat to international peace; and

(2) the President should advocate, and should instruct the United States representatives to the United Nations Security Council to propose and to seek, a mandatory international embargo against the totalitarian government of Cuba pursuant to chapter VII of the Charter of the United Nations.

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